WESTERN SYDNEY UNIVERSITY

VALUING DIVERSITY IN URBAN RENEWAL

Who Values, Seeks and Consumes Diversity in Australia?

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STATEMENT OF AUTHENTICATION

The work presented in this thesis is, to the best of my knowledge and belief, original except as acknowledged in the text. I, hereby declare that I have not submitted this material, either in full or in part, for a degree at this or any other institution.

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ABSTRACT

This thesis aims to critically and empirically examine whether – and if so, in what way – economic, social, demographic and cultural diversity adds value to urban neighbourhoods. Whilst planners and a range of – especially public – stakeholder believe in the (social) value of diverse cities and neighbourhoods, it has proven difficult to get investors and public treasuries to invest in diversity when it comes to urban renewal projects. The theoretical concepts applied to explore the value of diversity are *super-diversity,* reflecting the human complexity found in neighbourhoods, as well as *public* and *shared value,* conceptualising how the public and private sector can and should create societal value.

The empirical part of the thesis consists of a case study and a survey. The new-build suburb of Docklands in Melbourne served as a case study to examine the role diversity plays in urban renewal. Interviews with five key informants showed that whilst diversity is valued by the public as well as the state and local government, no mechanisms are in place to implement it in an urban renewal project that is market-driven and dominated by private investors – for example, in the form of a quota for affordable housing.

The objective of the survey was to ascertain if urban residents value diversity, and what aspects of diversity they value. 513 participants were recruited from the most diverse and sought-after suburbs in Sydney, Melbourne and Brisbane. The analysis reveals which forms of diversity are valued most – ethnic diversity – and least – economic diversity. Additionally, the analysis sheds light on the demographic characteristics of so-called *diversity-seekers* – a group who actively seeks to live in a diverse neighbourhood – who are most likely to be male, below 55, tertiary-educated and on a relatively high income, working as a professional or manager and have an Asian ethnic background. This is in accordance with findings from other studies and Florida's creative class theory, and confirms that the taste-for-diversity phenomenon exists in Australia. Interestingly, the demographic profile of the diversity-seeker conforms to the demographic of the people who live in urban renewal projects such as Docklands.

The overall contribution of the thesis is to demonstrate that urban residents value diversity in its many different forms. Furthermore, the research has shown that the diversity-seeker phenomenon, as identified by previous research in the US (Allen 1980, Florida 2002) and the Netherlands (Blokland & van Eijk 2009), is evident in Australia.

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Jane Jacobs 1991, 109

Successful urban development provides a range of uses and experiences for a range of people and interests.
Public Sector Key Informant

1 INTRODUCTION

The major cities in Australia are expected to grow rapidly in the next decades (Australian Bureau of Statistics 2013), which means that living space is getting scarcer and less affordable. As a result, cities potentially face the problem of becoming more segregated – and, in turn, less diverse within local neighbourhoods. This is a consequence of a wider trend where high-income earners settle in proximity to the city centre, services and amenities and low-income earners are priced-out and forced to move to the middle-to-outer ring suburbs. So far, attempts by government and planners to counteract segregation and social inequality in cities through urban renewal projects, seeking to accommodate the growing population, have not proven to be very successful. In contrast, urban megaprojects renewing or redeveloping urban neighbourhoods are seen as promoting further segregation in cities, to the extent that they only cater to a privileged socio-economic demographic (Harris 2014, p. 14). Thus, one of the major criticisms against such projects is that they are characterised by a 'minimal commitment to socially just policies with the primary orientation towards profitability and competitiveness' (ibid., p. 9).

In addition to promoting inequality, there is evidence that segregation has a negative economic impact for cities and regions. The Urban Institute for the Metropolitan Planning Council (MGP), for instance, conducted a study looking into the costs all people in the Chicago region – one of the most segregated cities in the United States of America (US) in terms of income and race (MGP 2016, p. 10) – pay by living in a racially and economically segregated city. In contrast to other research, this report was not interested in the cost of segregation for low-income communities but for the entire region. In conclusion, the report states that:

> It's clear that segregation holds back the entire region's economy and potential—and whether we realize it or not, it's costing all of us. Our social fabric and our economy will be stronger if we all have more opportunities to live, work and go to school with one another (MGP 2016, p. 3).

Using Census and American Community Survey data from 1990, 2000 and 2010, the research team analysed the correlation of lost income, lack of education and homicides with segregation. Of particular interest to the Australian context are the costs of lost income and limited access to high quality education caused by segregation. Looking at how lost income affects the region's economic performance, the report found that the regional gross domestic product would grow by approximately $8 billion if the region was less segregated and if incomes were raised to the national median (MGP 2016, p. 4). With regards to education the analysis showed a correlation 'between lower levels of segregation and a higher percentage of the population holding a bachelor's degree' and that, consequently, 'the Chicago region is losing out on some $90 billion in total lifetime earnings as a result of [this] education gap' (MGP 2016, p. 8).

The research team also points out how a lack of diverse housing options – in terms of size and price – affects better-off communities. They write that:

> A lack of diversity also hurts affluent communities, where limited housing options often mean that young people cannot afford to return when starting their own families, retirees cannot afford to stay and valued employees are priced out (MGP 2016, p.3).

Li, Campbell and Fernandez (2013) came to a similar conclusion in their study that examined the effect of racial and skill segregation (low-skilled and high-skilled workers) on the economic growth in metropolitan areas in the US. They analysed panel data[1] from 1980s to 2005 and concluded that racial and skill segregation has a negative effect on short-term and long-term economic growth in metropolitan areas (Li, Campbell & Fernandez 2013, p. 2649) and that it has grown stronger over time (ibid., p. 2643). They conclude that 'avoiding social isolation and helping the poor and low skilled to be employed would enhance economic efficiency that benefits the income growth of the entire metropolitan population' (Li, Campbell & Fernandez 2013, p. 2651).

Since both studies have been conducted in the US, the question is if and how these findings apply to the Australian context. Whilst racial segregation might be less severe in Australia than in the US, income segregation in Australian cities has been identified as an issue (see Baum, O'Connor & Stimson 2005). For instance, a study conducted by the Bureau of Infrastructure, Transport and Regional Economics looked at the spatial distribution of wealth in Australia in 2004-06 (BITRE 2009). Their analysis showed that the wealthiest as well as the least wealthy areas are located in cities in Australia, with 7 of the 10 wealthiest areas located in Sydney.

[1] Data for the analyses was soured from the 'Regional Economic Information System (REIS), the Census of Population and Housing, the Census of Governments, America Votes and other sources' (Li, Campbell & Fernandez 2013, p. 2647)

The wider aim of the present research project is to contribute new insights to the attempts to combat increasing social exclusion and segregation in cities, by exploring how population diversity might be, and is, valued. At this point, let me clarify how the term *diversity* is being used in this thesis. With diverse neighbourhoods, I am referring to smaller urban areas that 'harbor a full range of human complexity' (Talen 2010, p. 487), including social, demographic, cultural and economic diversity – generally referred to in this thesis as *residential neighbourhood diversity*. This means that I am most interested in value that is created by wide population diversity on a neighbourhood level. What is characteristic about the benefits associated with neighbourhood diversity – especially its social value – is that they are often based on theoretical arguments and taken for granted (Lees 2003, p. 613), but that empirical evidence is lacking or, even worse, contradicting claims that inform social mixing policies. The thesis, thus, proposes to take a different route, namely to explore whether and what the *public* values in population diversity. The public value approach has been chosen for this project, reflecting the normative position – with which I agree – that cities are made for their inhabitants. Thus, in order to create public value, I seek to understand if and what the public values in neighbourhood diversity. Moreover, I aim to explore whether the diversity-seeker phenomenon exists in Australia – people who make locational choices based on a neighbourhood's diversity – which has been observed in the US and Europe (Allen 1980, Florida 2002, Blokland & van Eijk 2009, Wessendorf 2013).

Urban renewal projects provide an interesting angle on this problem, as with the creation of whole new neighbourhoods the question of *What kind of neighbourhoods do we want to create?* becomes eminent. Moreover, those mega-projects are usually built on government owned or obtained land, which raises issues of social responsibility by the state. However, as the public sector contracts private sector stakeholders, such as investors and developers, this social responsibility is challenged by profit-driven interests, pointing out a disconnect between a housing system dominated by market principles and the need for more inclusive housing solutions. While scholars, planners and a range of – especially public – stakeholders believe in the (social) value of diverse cities and neighbourhoods, it has been difficult to get investors and public treasuries to make diversity a priority in renewal projects – for example, in the form of more affordable housing. Thus, more data providing an evidence base for diverse urban communities – knowledge that can then potentially influence urban renewal planning – is necessary if stronger support by the various stakeholders of diverse communities in urban renewal projects is desired. The challenge addressed by this thesis, then, is to explore whether, and how, diverse neighbourhoods create value. The *research question* this thesis seeks to answer is:

How does residential diversity across multiple differences add value to urban neighbourhoods, and can this be effectively demonstrated and measured?

The focus of this thesis is residential diversity. Whilst I am aware of the importance of other types of diversity prevalent in urban planning, such as diversity of land uses, building types, services, activities and users, the inclusion of other aspects would have been too broad for the scope of this MPhil thesis. To further refine the focus of the thesis with regards to the research question, the following two *objectives* serve as guidelines:

1. *To explore the public value of residential neighbourhood diversity in urban renewal and established neighbourhoods*
2. *To better understand the diversity-seeker phenomenon in Australia*

Findings from the analyses could have implications for future investments (from government, non-government and private investors) into the planning and building for diverse neighbourhoods within urban renewal projects. An affirmative response to the research question should make investment in diversity more attractive to public and private stakeholders. It is also hoped that findings may impact policy making, advocating for a stronger promotion of the public good (diversity as the promoter of equitable accessibility) and the public interest (promoting diversity as a public value).

Overall, by seeking to understand how we might better value diversity in urban renewal projects, this thesis makes a scholarly contribution to the interdisciplinary field of urban studies, particularly urban planning and urban geography.

1.1 Outline

The thesis is structured into six chapters, including this introductory chapter. Chapter 2 presents the conceptual framework for this thesis. It explores the two key concepts – *diversity* and *value* – and provides working definitions for this thesis. It introduces the concept of *super-diversity,* which is inclusive of social, economic, cultural and demographic differences in the population, and presents a critical literature review of the benefits attributed to urban diversity. In addition, two concepts of value will be presented. Firstly, *public value,* arguing for a public sector driven approach that is aiming to represent the public interest and is primarily focused on creating value for the public good. Secondly, *shared value*, which makes private sector stakeholders, who play a crucial role in urban

renewal projects, accountable for their societal contribution. Furthermore, literature looking at the value urban residents see in neighbourhood diversity will be discussed.

Chapter 3 presents the methodology for this thesis, which comprised a case study and a survey. The choice of these methods, and how they fit together to address the research aim, is discussed. The case study focused on the urban renewal project Docklands, in Melbourne, and involved interviews with key informants from the public sector as well as a review of relevant literature and policy documents. This case study sought to understand how urban managers value diversity in Australian cities and promote diversity in a major urban renewal project. To explore how diversity is valued in more detail, the second method deployed was a survey of residents in those suburbs defined as diverse in Australia's three largest cities. This extends the insights of the case study by investigating what kinds of diversity residents value, why diversity is valued, and if and how diversity plays a role in neighbourhood choice. Chapters 4 and 5 present the findings. They, in turn, focus on the Docklands case study, as a foundation, and the analysis of the residents survey. The analysis of the case study in Chapter 4 demonstrated that diversity is valued by the public sector as well as the local community, and points out how restraints from the government and the dominance of market mechanisms hinder the promotion of diversity in urban renewal, for instance in the form of affordable housing. Furthermore, it discusses what forms of diversity are most prevalent within urban renewal and the potential economic value public stakeholders view in promoting diversity. The value of diversity is then analysed in more detail through the survey data in Chapter 5. Based on the high approval found for social (76%), demographic (73%), cultural (72%) and economic (60%) diversity, I argue that diversity has to be classified as a public value. Moreover, the chapter provides insight into the demographic characteristics of the people who value, seek and consume diversity in Australia – groups of people who do not necessarily overlap.

The concluding Chapter 6 reviews and summarises the study's framework and points out key findings. It also discusses how the thesis contributes to research in urban studies by investigating the phenomenon of neighbourhood diversity from a novel perspective – urban renewal and residents – as well as in particular depth – distinguishing between a variety of different variables that make an urban community diverse and how these are valued. It then discusses how some findings and limitations of this study prompt further research, such as exploring the gender difference found in how different forms of diversity are valued, and the perspective of developers when researching the role of diversity in urban renewal.

2 TOWARDS UNDERSTANDING DIVERSITY AND VALUE IN URBAN NEIGHBOURHOODS

The concepts of *diversity* and *value* will be explored in this chapter with the aim to develop suitable working definitions for the purpose of this thesis, namely to establish what the value of diversity in neighbourhoods is and, thus, for urban renewal. The two terms can be conceptualised in very different ways, reflecting different interests and resulting in very different outcomes. The discussion at hand will focus on a notion of diversity that is inclusive of various population characteristics and a value concept that exceeds a focus on sole economic value.

In the first part of this chapter, I discuss the ambiguous concept of diversity and identify a framework for this study. To develop an approach for better understanding the value of diverse neighbourhoods, I conduct a literature review that critically discusses the definitions, delineations and benefits of diversity within an urban context. Next, I introduce two value concepts that propose answers to the question, *for whom should value be established?* – *public value* and *shared value*. Linking this discussion of value back to the preceding assessment of diversity, I conclude this chapter with a critical view on the existing literature on the value of diversity for local residents. This then offers a conceptual framework for my empirical project and subsequent analysis of the valuing of diversity in urban neighbourhoods and renewal.

2.1 Diversity

The concept of diversity in the area of urban planning and research has received great attention over past decades, being labelled the 'new orthodoxy of city planning' (Fainstein 2005, p.3). Diversity has been conceptualised in various different ways and dimensions, which Lees (2003, p. 613) describes as the 'diversity of different diversities'. Because of this broad use of the term diversity, it is important to set out what this notion exactly encompasses in any given research project. In working towards a suitable definition of diversity for the research project at hand, I first point out two conceptual challenges that arise regarding the usage of the term diversity within the urban studies literature. I then introduce the concept *super-diversity* and an argument for a multilayered term of population diversity. Next, the relation of diversity to other, similar terms – *social mix* and *tenure mix* – will be discussed. Lastly, the social and economic benefits associated with diversity will be critically reviewed.

2.1.1 Diversity and Its Conceptual Challenges

When working with the concept of diversity in the field of urban studies, one is faced with a problem: the diverse uses of the term diversity. This makes reviewing and comparing studies and literature difficult, as every scholar seems to have a different understanding of what variables and geographical scope diversity entails, depending on their research interest. Thus, findings cannot automatically be applied across different research projects. The two main differences within the conceptualisation of diversity concern the *spatial* and the *categorical scope*.

When looking at the *spatial scope* of diversity in urban areas, there are authors who are interested in a bigger scale, such as a whole city (i.e. Florida 2002, Syrett & Sepulveda 2011), or at smaller scale, such as suburbs or neighbourhoods (i.e. Wessendorf 2013, Talen 2008; 2010; 2015; Blokland & van Eijk 2009).

The problem with taking into consideration the population of a whole city when researching diversity is that it does not actually say anything about the level of integration or segregation within an urban area. A city as a whole, for instance, can be very diverse, but unless this is reflected in the smaller geographical units such as suburbs or neighbourhoods as well, the city might be highly segregated, as is the case in cities like New York or Chicago (Silver 2015).

Regarding the *categorical scope*, the term diversity can be very inclusive, embracing a variety of different population variables (e.g. super-diversity or hyper-diversity, see Chapter 2.1.2) or can be quite specific, only looking at one dimension, such as the presence of different ethnic groups. In some cases, the term diversity is used to refer to culturally and ethnically diverse cities or communities, often without providing a clear definition (see, for instance, Vertovec 2007, Syrett & Sepulveda 2011). It seems to be quite a common assumption that diversity stands for cultural/ethnic/racial differences, however, the word itself does not contain this reference, unlike the term multiculturalism.

Based on the literature reviewed, I have identified the following different dimensions and categories that diversity can refer to:

- Social/demographic diversity (e.g., education, age, sexuality, gender, family type, culture (Jacobs 1961; Florida 2002; Talen 2008; Blokland & van Ejjk 2010; Syrett & Sepulveda 2011; whereby the following authors concentrate exclusively on cultural diversity: Ottaviano & Peri 2006; Vertovec 2007)
- Economic diversity (e.g., income or business diversity) (Talen 2008, Blokland & van Eijk 2010)
- Spatial diversity (e.g., land use, building heights and types, walkability) (Jacobs 1961)
- Functional diversity (e.g., housing, business, cultural institutions, education) (Jacobs 1961)
- Physical diversity (e.g. building age, apartment size) (Jacobs 1961; Talen 2008)

It is difficult to allocate studies to either a single dimension or category, as they usually are a combination of several different ones – Emily Talen (2008) for instance looks at age, income, racial and family diversity whereas Richard Florida (2002) includes other characteristics in his *gay* and *bohemian indices,* such as sexuality or employment by industry. Jane Jacobs in her influential book *The Death and Life of the Great American Cities* (1961) favours a very broad notion of diversity, encompassing all these five dimensions. She has convincingly argued that these different dimensions of diversity fertilise each other (Jacobs 1961, p. 157). She argues that a mix of dwellings, office buildings, shops, schools and museums as well as parks and plazas will attract a diverse range of people – residents, workers, entrepreneurs, students and visitors – who will use streets and facilities at different times of the day resulting in a diverse, vibrant and safe neighbourhood.

2.1.2 Super-Diversity

For the purpose of this thesis focusing on diverse neighbourhoods, I will be most interested in the diversity of population characteristics, including social, demographic, cultural and economic diversity. Urban geographer Emily Talen (Talen 2008, p. 487) argues that:

> There is no explicit definition of the 'socially diverse neighbourhood', [but that] people often consider the mixing of residents by race/ethnicity and by income level or wealth to be the most essential forms, although the mixing of age, family type and household type is also important.

This suggests that a suitable notion of diversity within an urban context should reflect the complexity of individuals who live in a neighbourhood. Vertovec's (2007) concept of *super-diversity*, does exactly that, by acknowledging the diversity of identities and experiences as well as social and economic statuses within cities. Vertovec developed this term to describe the 'multiplication of significant variables' (Vertovec 2007, p. 1025) that have shaped migrants' statuses and experiences since the 1990s. He suggests, critically, that immigrant groups are homogenously targeted by policies based on their country of origin but that these groups are much more heterogenic than assumed, characterised by a 'dynamic interplay of variables' (ibid., p 1024).

For the purpose of this thesis, however, I intend to use Vertovec's notion in a much broader and more inclusive way, as his definition draws on the limiting notion of *ethnic* diversity and thus the dichotomy *us* vs. *them,* which in the context of this study is not very useful. Neighbourhood diversity is not just characterised by the different cultural backgrounds of its residents but by many more

characteristics such as age, family type, sexuality, education or income which do not automatically distinguish between members of majority and minority groups. As Talen (2010, p. 487) writes:

> A diverse neighbourhood might have teenagers and elderly; married couples and singles; empty-nesters and large families; waiters and teachers as well as professionals; affluent people and people on fixed incomes; and people of varying racial, ethnic and cultural backgrounds. In short, they are places that harbor a full range of human complexity.

This human complexity is what I aim to embrace with the diversity term in this thesis. Another concept that seeks to do this is *hyper-diversity* which has been developed by the research team of the DIVERSITIES project[2]. This term they define as 'the intense diversification of the population, not only in socio-economic, socio-demographic and ethnic terms, but also with respect to lifestyles, attitudes and activities' (Tasan-Kok et al. 2013, p.3).

The concept of hyper-diversity was developed in response to other terms dealing with social differences, such as assimilation, multiculturalism, interculturality and intersectionality, which, the authors argue do not account for the complexity of diversity in today's urban contexts (Tasan-Kok et al. 2013). To do this, the research team included the parameters *lifestyle*, *attitudes* and *activities* (e.g. daily routines or hobbies) into their concept. They argue that 'socio-economic, demographic or cultural differentiators lack a predictive power, since people with the same characteristics […] may have very different orientations, values, and activity patterns' (Tasan-Kok et al. 2013, 19).

In the context of urban renewal projects concepts such as super-diversity and hyper-diversity are important, as strategies for urban transformations should reflect the different needs of a highly diversified community if the aim is to develop an inclusive, vital and sustainable neighbourhood.

2.1.3 Relationship to Other Terms

The notion of population diversity proposed in this thesis relates to what some authors refer to with the term *social mix.* Similarly, *tenure mix* is often equated with diversity. This section outlines how diversity relates to those two terms.

[22] DIVERSITIES is a four-year research project (2013-2017), financed by the European Commission and headed by Utrecht University in collaboration with 13 other European universities. The project conducted comparative studies in 13 European cities as well as in Toronto. The main research questions were: 'What evidence can we find of the positive aspects of urban diversity for social cohesion, social mobility and economic performance in European cities? And, how can these positive arrangements be enhanced by participatory policies and governance arrangements?' (Diversities 2013).

2.1.3.1 Social Mix

A popular term in the urban planning and research literature as well as in policy that is used to describe the cohesion of a heterogeneous population is *social mix*. Like diversity, social mix might refer to different characteristics, such as age, ethnicity or income (Kleit and Carnegie 2011). Arthurson (2010, p. 50), for instance, defines social mix as 'the level of socio-economic variance of residents, housing tenure within a particular spatially delineated area, age range or ethnic mix of residents'. In this sense, social mix is very much coinciding with the proposed understanding and usage of the term diversity in this thesis. The literature dealing with social mixing policies and implications will thus be included in the review in the following section.

2.1.3.2 Tenure Mix

In the literature, the planning for tenure mix in urban residential areas is often equated with producing population diversity. Theoretically, the assumption that physical diversity promotes economic and social diversity has been developed by Jane Jacobs (1961) who, according to Fainstein, 'gives physical differentiation a causal role in producing other types [of differentiations]' (Fainstein 2005, p. 5). Today, the New Urbanism movement advocates for 'different tenures (owner vs. renter occupied) and different forms and sizes, from single-family to multifamily, all within a single neighbourhood' (Talen et al. 2015, p. 124) in order to generate social diversity within a neighbourhood.

This theoretical assumption has made its way into policy and strategic documents in Australia, as shown in the following examples. A report developed for the City of Melbourne, for instance, concludes that 'a mix of housing and household types is critical to achieving demographic diversity within the city' (SGS 2013, p. viii). One of the project outcomes defined by Urban Growth NSW, the Land Commission of NSW at the time, in the Central to Eveleigh urban renewal project in Sydney, states that **'**we will provide a variety of housing to meet the needs of a diverse community' (UrbanGrowth NSW 2016). Housing NSW (Department of Family and Community Services 2012, p. 123) explicitly formulates the aim in its strategy document 'to increase private ownership and availability of private rental properties in concentrated public housing areas to promote a broader residential mix, stimulating greater social and economic opportunities'. This suggests that the argument for a causal relationship between physical diversity and social diversity seems to be convincing, however, it is important to note that building for different tenure types alone does not necessarily result in the diversity of residents (Rowlands, Murie & Tice 2006).

For instance, Musterd and Andersson (2005) conducted a statistical analysis of population and housing data in Sweden – where social mix has been a housing policy since the 1970s – and couldn't

find a strong relationship between housing mix and social mix. Rowlands, Murie and Tice (2006, p. 3), looking at seven case studies in the United Kingdom (UK), also conclude that 'tenure mix is not a sufficient approach by itself to build successful communities which will house lower income households and prevent the segregation of the poor'.

Talen et al. (2015) quantitatively analysed 80 'great neighbourhoods' in the US, a title awarded by the American Planning Association, and found that social diversity can decline despite the mix of housing types offered in the neighbourhood. The authors point out that there is a tension between physical (walkability, access to amenities and services) and social goals (social diversity, affordability), as the demand for housing in walkable, amenity and service rich areas increases housing and rent prices. Their argument in a nutshell is that the more attractive a neighbourhood is the less affordable and the less diverse it is, despite the availability of mixed housing types.

Following Talen et. al, Paulsen (2015, p. 3) argues that housing mix does not *necessarily* translate into social diversity in high-demand areas and that only 'aggressive legal and financial tools (inclusionary zoning, vouchers, land trusts, low income housing tax credits, etc.) can produce affordable housing and social diversity in high-demand neighbourhoods'. Walter and Wang (2016), for instance, show how through the Housing Choice Voucher Program in the US eligible recipients are encouraged to look for housing in more desired and affluent areas.

Groenhart (2013, p. 113), looking at quantitative data to understand the relationship between tenure and social mix, comes to the same result arguing that 'tenure seems to have a comparatively weak measure of social mix, compared to education, income and employment'. This means that no conclusions can be drawn from tenure mix in an area regarding the social composition of its residents. This is also because, according to Rowlands, Murie and Tice (2006, p. 71) tenure mix policies are 'blind to private renting' and the impact this has on the tenant composition.

While a mix of housing types is important in order to accommodate diversity, scholars and policy makers have to be careful about equating tenure with social mix, as the physical planning for tenure mix alone is not the solution to social segregation and exclusion.

2.1.4 Benefits of Diversity

To establish the value of diversity in urban neighbourhoods, benefits associated with socially mixed residential areas can provide useful approaches. In the reviewed literature, a great variety of reasons have been given for the advocacy of diversity in neighbourhoods and cities. Wendy Sarkissian, in her article *The Idea of Social Mix in Town Planning: An Historical Overview* (1976), shows that this is not a novel idea. She locates the origins of social mixing of urban communities in the UK in 1845 (Sarkissian

1976, p. 234). Looking at the rationales behind advocating for social mix from then on, Sarkissian has identified the nine following objectives in the urban planning literature: 1. to raise the standards of the lower classes; 2. to encourage aesthetic diversity; 3. to encourage cultural cross-fertilisation; 4. to increase equality of opportunity; 5. to promote social harmony; 6. to promote social conflict; 7. to improve the physical functioning of the city; 8. to help maintain stable residential areas; 9. to reflect diversity of the urbanised modern world (ibid, pp. 231-234). However, Sarkissian also notes that the claims for social mix are lacking empirical evidence and that more research is needed to support those statements (ibid, p. 243), a point that is still made today (SGS Economics and Planning 2013).

In the more recent literature, most arguments that advocate for diversity within cities and neighbourhoods are related to either social or economic benefits.

2.1.4.1 Social Benefits

Often, the argument for diversity on social grounds is made in relation to the consequences of segregation, which is characterised by social polarisation and exclusion (Wilson 1987, Tach 2014; Turner & Rawlings 2009; SGS 2013). The lack of research looking at the positive outcomes of diversity might be related to the fact that social research, as well as policy developments, tend to focus on identifying and understanding problems rather than solutions (SGS 2013, p. 10). A result from this is the fact that the benefits of diversity are often solely concentrated on disadvantaged areas and people as opposed to looking into potential benefits that arise from socially mixing homogenous high-income neighbourhoods.

Amongst social-policy makers, the following social benefits are associated with population diversity but have been contested by scholarly research:

- Social inclusion (Atkinson & Kintrea 2000; Musterd & Andersson 2005; cf. Manley, van Ham & Doherty 2011; Ceshire 2012)
- Provisions of social networks (Ruming 2014; cf. Chaskin & Joseph 2011)
- Equitable distribution of resources (Talen 2008; Tach 2014; cf. Lees 2008; Ceshire 2012)
- Elimination of concentrated poverty (Joseph, Chaskin & Webber, 2007; cf. Shamsuddin & Vale 2016)
- Interaction across difference (cf. Graves 2010; Arthurson 2010; Ruming 2014)
- Increase in tolerance across differences (Wessendorf 2013, cf. Tach 2014, Valentine 2008; Valentine & Sadgrove 2014)

All of these social benefits are seen to result from social-mixing policies on a neighbourhood level – which is most relevant for this study. They are based on the assumption that the environment an individual is living in impacts their life chances – commonly known as *neighbourhood effects*. However, whilst there is convincing evidence that there is a correlation between, for instance, lower income or health status and living in a poor neighbourhood (Ceshire 2012), the question of causation is not clear – i.e. is a lower income a result of living in a poor neighbourhood or do low-income people move into a poor neighbourhood because they can't afford to live somewhere else (Manley, van Ham & Doherty 2011)? The question is thus whether neighbourhood causation or selection explains these neighbourhood effects, whereby a growing body of research suggests that it actually is the latter (Oreopoulos, P, 2003, van Ham & Manley 2010, van Ham, Doherty & Manley 2011). This is especially problematic, as these claims reflect past and current social policy practice in a variety of countries (Galster 2007, Lees 2008, Manley, van Ham & Doherty 2011). However, the assumed benefits of social mixing promoted through policy and the media, reflecting the dominant discourse, have been challenged by academic investigation, questioning the evidence-base of such policies (Ruming 2014). For instance, there are numerous studies that could not find evidence for claims that social mixing promotes social inclusion by introducing positive role models ((Atkinson & Kintrea 2000, Manley, van Ham & Doherty 2011, Ceshire 2012), meaningful social interaction (Butler & Robson 2003, Arthurson 2010, Graves 2010), access to social networks (Chaskin & Joseph 2011), reduction of poverty (Joseph, Chaskin, & Webber 2007, Goetz 2013, Shamsuddin & Vale 2016) or more tolerance (Tach 2014, Valentine 2008, Valentine & Sadgrove 2014). Thus, Mansley, van Ham and Doherty (2011, p. 14) argue that:

> Creating more socially mixed neighbourhoods is unlikely to create more opportunities in life for the original residents. Socially mixing neighbourhoods through tenure mixing will only change the population composition of neighbourhoods.

Going even further, Ceshire (2012) claims that there is no proof that poorer people benefit from living in proximity of other people, rather the opposite, that living among peers has benefits, for instance, regarding finding a job and accessing amenities, which might otherwise be too expensive. What, however, happens when more affluent people move into the neighbourhood is 'that richer households bid up local prices and drive out shops and other facilities that serve poor households' (Ceshire 2012, p. 18) – a process, that is commonly known as *gentrification*. Social mix is thus seen as a promoter of gentrification (Damaris 2004, Freeman 2006, Lees 2008, Talen et al. 2015). Lees (2008, p. 2463) points out that 'it is ironic that a process that results in segregation and polarisation—gentrification—is being promoted via social mix policies as the 'positive' solution to segregation'.

Those findings suggest that actively promoted diversity only results in equitable distribution of resources if lower income residents can afford local housing prices and living expenses as well as access to appropriate services. Overall, those studies critical of social-mixing policies do not imply that social-mixing policies should not be encouraged, but suggest that there is no evidence that social mixing enhances the life chances of individual people (Mansley, van Ham & Doherty 2011).

2.1.4.2 Economic Benefits

Economic benefits of diversity have been examined on various levels, such as on an organisational, city, regional or national level (Baycan-Levent 2010). Most relevant for this project are economic benefits that occur on an urban level, as studies linking diversity to economic benefits on the neighbourhood level are rare, a fact that should be addressed by further research.

What is noticeable in the literature dealing with the economic benefits of diversity on a city level is that it almost exclusively concentrates on the economic benefits resulting from a presence of immigrant, cultural or ethnic diversity (Kemeny 2017). According to Alesina, Harnoss and Rapport (2013, p. 6), this is due to the fact that having been socialised and educated in different countries, this kind of diversity is more likely to lead to a 'production function'. Since neither the level of analysis nor the variables of population diversity conform with the scope of diversity in this thesis, this section will only be dealt with in brevity.

Some of the economic benefits attributed to diverse cities in the scholarly literature, are economic growth and wealth (Florida 2002, Rutten & Gelissen 2008, Baycan-Levent 2010, Kemeny 2017, cf Alesina & La Ferrara 2005), increased productivity (Ottaviano & Peri 2006, Bellini et al. 2013, Kemeny 2017), the availability of diverse human capital (Syrrett & Sepulveda 2011), the creation of new markets and goods (Syrrett & Sepulveda 2011, Saunders (2011) and ethnic tourism (Syrett & Spulverda 2011, Hall & Rath 2007, Halter 2017).

2.1.5 Conclusion

This section has clarified how the term diversity is being used in this thesis, most suitably summarised by the term *population diversity*. It is based on the concept of super-diversity, reflecting the human complexity found in neighbourhoods across social, cultural, economic and demographic differences.

The literature review of the anticipated social benefits of diversity in neighbourhoods shows that evidence backing them up is almost non-existent – more often even the contrary. This points out a disconnection between research and policy. Moreover, the existing literature demonstrates that quantifying the social benefits of diversity is difficult, especially in monetary terms. Stronger evidence

for positive social outcomes would have to be produced first, which can then be translated into economic terms.

Through the value concepts introduced in the next section, a different perspective on value and how to measure it will be proposed. The focus shifts away from a somewhat patronising perspective, assuming to help the poor and disadvantaged by introducing positive role models into a deprived neighbourhood, towards an approach that seeks to establish what is valued by the public.

2.2 Value

The second concept evident in the title of this thesis – *Valuing diversity in urban renewal* – is value. When looking at the term *value* in an urban context, it seems inevitable to ask the following questions: What *kind* of value? Value for *whom*? And: How to *define*, *identify* and *measure* value?

To answer the first two questions in relation to the value of diversity in urban renewal, I will have to clarify my normative standpoint. Firstly, I believe that cities, including neighbourhoods and buildings, should be made for all people, regardless of their social, economic, cultural or physical background and characteristics. Secondly, based on Lefebvre's (1996) proposal of the right to the city, I hold the view that every person has the same entitlement to services and amenities provided by a city. Moreover, I agree with Fincher and Iveson (2008, p.9), who write that:

> The 'right to the city' does not just refer to rights of access to the physical spaces of cities. Rather, it refers more broadly to rights to access and participate in urban life, a right to use and shape the city as an equal.

So assuming that cities are made for *all* its residents and users (i.e. workers or visitors), I am most interested in a concept that considers how value for the local community – not only land developers – can and should be created through urban renewal.

Urban renewal projects are interesting, as in most cases these are built on government owned or acquired land, often sold to developers. This means that they are administered by public sector agencies, which have an obligation to promote social outcomes. Consequently, the value approach adapted in this study should reflect the public sector's responsibility of serving the public interest and to represent all people who have a right to the city. To answer the questions of *What kind of value?* and *Value to whom?* I am interested foremost in a form of value that embraces what the users of a city – foremost residents – value.

One approach that meets the criteria set out above is *public value*, which has found prominence in the public sector in recent years. This concept, as well as its critique and limitations, will be discussed. This approach is complemented by the *shared value* concept, accounting for the fact that public stakeholders in urban renewal projects don't have sole control over the outcomes, but that they contract private stakeholders for the realisation of the renewal. Linking this back to the assessment of diversity, I then discuss the value of diverse neighbourhoods for local residents.

2.2.1 Public Value

The concept of public value was coined by Mark Moore in 1995 in his book *Creating Public Value: Strategic Management in Government*. Moore views public value as an equivalent to shareholder value in the private sector and uses it as an instrument to formulate organisational goals within the public sector. To create public value, the public sector has two types of assets available, firstly, its authoritative power – exercised through obligations or disciplinary actions – and, secondly, public money gained through taxation. The latter makes the public sector accountable to the public from whom it collects the money for its operation. Moore thus classifies his approach as a 'normative theory of managerial (rather than organisational) behaviour' (Moore 1995, p. 2).

The public value approach is an answer to and critique of the New Public Management approach that has transferred business models to public sector organisations and is primarily market-driven and focused on efficiency and competition, lacking a dedication to social outcomes (O'Flynn 2007, Spano 2014). In contrast, the purpose of Moore's (1995, p. 21) approach is 'to work out a conception of how public managers […] could become more helpful to society in searching out and exploiting opportunities to create public value'. Public value management has thus been seen as a paradigm shift in public administration and management (Stoker 2006, O'Flynn 2007) and has found considerable attention among practitioners and academics around the world, also in Australia (O'Flynn 2007, Grant et al. 2014).

2.2.1.1 Private vs Public Sector

With his book, Moore (1995) aims to explore what the public sector can learn from the private sector about performance management and measurement whilst acknowledging that both sectors are fundamentally different. One of the main differences he sees between the two is that in contrast to the private sector, the primary aim of the public sector is not to create economic but social value (Moore & Khagram 2004). To Moore, success in public sector management 'equates managerial success in the public sector with initiating and reshaping public sector enterprises in ways that

increase their value to the public in both the short and the long run' (Moore 1995, p. 10). As evident from this quote, he also adds a temporal dimension to this value concept, pointing out that the value creation process should produce short and long-term benefits to the public.

Another significant difference is that the customer is not an individual but a 'collective public' (Moore 2013, p. 3), that can be at once receiver of services as well as of obligations. This broad understanding of the customer has the advantage that it avoids the need to identify who the clients of different government agencies and services are, which in practice is often a difficult and ambiguous undertaking (ibid, p.10).

Moore sees the diversity of stakeholders that have to be acknowledged, all of whom expect their needs to be catered for, as a challenge for the public sector. He argues that in contrast to the private sector, public value has to mean more than the bottom line performance and customer satisfaction as questions of success are not 'simply technical but also philosophical, political, and managerial' (Moore 2013, p. 5). Moore has thus developed a framework that helps public managers to negotiate these different spheres. As guidance for public managers in creating public value, Moore (1995, p. 71) provides three conditions that need to be considered in the process, the so-called *strategic triangle*. According to this conception, a strategy has to be:

1. substantively valuable
2. legitimate and politically sustainable
3. operationally and administratively feasible

Moore argues that, firstly, before or whilst an organisation commits an action, it needs to be clear about what kind of public value it seeks to create. Secondly, it needs to have an authorising environment that supports the effort, such as people – i.e. elected representatives – or entities – i.e. the media – with political power. And, thirdly, an organisation needs to have the 'organisational capabilities' (Moore & Khagram 2004, p. 2) – i.e. the workforce and know-how – or the ability to create those, in order to produce public value. Moore argues that if a strategic vision does not meet all those three criteria then it is doomed to fail (ibid.). Since those three aspects – substance, politics and administration – are seldom in alignment, it is the manager's task to negotiate 'workable trade-offs' (Alford & O'Flynn 2007, p. 4). That means that the public sector's undertakings have to be supported by the political environment and the organisation needs to have the capabilities – internal or external – to realise them. In essence, the question public managers have to work with is: What constitutes public value and do we have the means and support to produce it? In that sense, Moore envisions the public manager to have a 'restless, value-seeking imagination' (Benington & Moore 2011, p. 30) in a constantly changing environment.

2.2.1.2 Defining Public Value

One of the fundamental questions of the public value approach is: What constitutes public value? Moore argues that 'value is rooted in the desires and perceptions of individuals' (Moore 1995, p. 52). Furthermore, he writes that 'citizen's aspirations, expressed through representative government, are the central concerns of public managers' (ibid.). This suggests that public value can be identified in the way people vote and in the values the elected representatives stand for.

Moore further writes that one type of citizens' aspirations 'concerns collective things that are individually desired and consumed but cannot be provided through market mechanisms because the product cannot be divided up and sold to individual consumers' (Moore 1995, p. 52). Neighbourhood diversity can be classified as such a type of aspiration. One aim of this thesis is to find out if diversity is valued by the public, or in other words, desired and consumed by urban residents.

When talking about public value, it is important to not view it as something static or fixed, but as something that is responsive to current material and social issues and can thus change (Alford & O'Flynn 2007). A number of scholars have sought to theorise public value in order to accommodate the dynamic nature of the concept[3]. Talbot (2006, p. 7), for instance, offers the following definition: 'public value is what the public values'. And Stoker (2006, p. 46) claims that the main objective behind creating public value is to bring 'a net benefit to society'. Veeneman and Koppenjan (2010, p.224) argue that 'public values are those values that we collectively expect governments to secure in our society'. As mentioned above, this expectation of the citizens translates into an obligation for the government, firstly, because it is elected to represent the public interest and, secondly, because it operates with money collected from the public. Horner and Hazel (2005, p. 34) accordingly write:

> Think of citizens as shareholders in how their tax is spent. The value may be created through economic prosperity, social cohesion or cultural development. Ultimately, the value – such as better services, enhanced trust or social capital, or social problems diminished or avoided – is decided by the citizen.

If the value is decided by the citizens, the question then is: How can we establish what the public values? This question will be addressed in discussing this project's methodology (Chapter 3.2.1).

[3] Bozeman and Johnson (2015) view the public value literature as fragmented and identify the following three different approaches: public policy application, normative public value creation and management improvement. Moore's approach can be classified in the latter category.

2.2.1.3 Critique on the Public Value Concept

Since its first proposal in 1995, public value has received a lot of scholarly attention, both positive as well as critical (see a comprehensive overview by Alford and O'Flynn 2007). The main points of critique have been:

- The scope and lack of clarity of the pubic value concept (Rhodes & Wanna 2007, Spano 2014)
- The relationship between public value and politics and the power ascribed to non-elected public managers to define and create public value (Rhodes & Wanna 2007)
- The use of public value as merely a rhetorical strategy (Oakley, Naylor & Lee 2006)
- The extent to which public value actual challenges neoliberalism (Dahl & Soss 2014)

Whilst I acknowledge the importance of such critical assessments of the public value framework, they are less relevant for the scope of this thesis, where I use this concept in order to make an argument for a more public oriented urban renewal agenda that takes into consideration what the public values and desires.

2.2.1.4 Limitations of Public Value in Urban Renewal

Because I do not think that it is realistic to expect public value alone to drive urban renewal projects in a neo-liberal political system and when the public sector is so reliant on the private sector to build them, arguments for diversity will be most successful if they can point out value for all major stakeholders. In cities and neighbourhoods, different interest groups are involved to whom value means something different, for instance, investors, residents and government bodies. The (short-term) value for a renter would probably mean low rents; for the landlord, high rents; for the home-buyer, low property price; and for the investor, high property prices. This simplistic example illustrates that value might even mean the opposite for some stakeholders involved in the housing market and urban renewal projects. Thus, a more holistic approach to value that is applicable to the private sector is necessary, if a viable neighbourhood diversity across different demographic characteristics is desired.

2.2.2 Shared Value

One approach that focuses on creating social as well as economic value from a business perspective has been suggested by Porter and Kramer (2011) with their concept of *shared value*. The authors define shared value as the 'policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in

which it operates' (Porter & Kramer 2011, p. 6). Whilst their argument is built around corporations, they are interested in the interrelations of societal and economic progress with the idea that shared value, and not just short-term profit, should guide every major company decision (ibid, 16). To create shared value, companies then have 'to identify all the societal needs, benefits, and harms that are or could be embodied' (ibid, p. 8) in their projects. However, the authors also argue that societal issues should not be addressed by one company alone but in collaboration with other stakeholders (ibid).

The application of the shared value concept to the context of urban renewal projects has been pointed out by a report commissioned by the City of Sydney and prepared by SGS Economics & Planning (2014). Outlining ten best practice principles for urban renewal, the first principle is to 'create shared value for the long term public interest' (SGS 2014, p. 5). This principle states that those who are part of the city – visitors, children, the underprivileged, workers and students – should benefit from the increasing value urban renewal can generate, along with investors.

This shows that the shared value concept is a suitable extension to the public value concept, as it encourages private businesses not only to create economic but also societal value. Whilst including this – albeit alleviated – profit-driven concept is in a way compromising what public value seeks to achieve, it seems inevitable to make this concession in a neo-liberal context, if one wants to be realistic rather than idealistic. Whilst the focus in this thesis is on establishing the public value of diverse neighbourhoods, I will also point out how shared value – that is economic profit – could potentially be created simultaneously.

As a point of departure for the empirical part of this thesis, I am now going to review literature that has focused on the value diverse cities or neighbourhoods create for the public – with a focus on residents.

2.2.3 The Value of Diverse Neighbourhoods

In Section 2.1.4, I have been looking at the *benefits of diversity* in a broader sense, predominately focusing on the positive impact that social-mixing policies are assumed to bring disadvantaged areas and people. Following from the above discussion of public and shared value, I now want to look at the *value of diversity* for the inhabitants of a city or neighbourhood and introduce studies looking at what motivates residents to live in diverse neighbourhoods. Another section then briefly discusses how this 'taste for diversity' creates shared value from a business perspective.

2.2.3.1 Value for Residents: Consumption of Diversity

People who value diversity and actively seek to live in diverse neighbourhoods – henceforth called *diversity-seeker* – are not a novel phenomenon. Already in 1980 (p. 415), Allen writes that:

> Sociocultural diversity is a leitmotif in the new tastes for central-city housing and neighborhood. One of the great amenities of dense city living, it is said, is exposure to social and cultural diversity such as ethnicity.

With his article, Allen sought to explain the trend of younger people preferring high-density inner-city housing over less populated suburban areas. He identified the following three motives for people to move into a neighbourhood:

1. practical, mainly economic, incentives;
2. people's preferences for certain neighborhood and housing types – really matters of taste and style of life; and
3. ideological factors (i.e. the urban neighbourhood as an alternative community form) (Allen 1980, p. 412).

The diversity-seeker can be classified into the last two categories. Allen links this taste in diversity to a middle-class demographic, arguing that the diversity-seeker are 'young, affluent, and well educated; many are professionals, corporate managers, and technicians (Allen 1980, p. 411). It is not apparent in his article what evidence Allen's claims are based on, as no empirical data is presented to support his argument.

Thirty years later, Richard Florida makes similar observations, which he lays out in detail in his book *The Rise of the Creative Class* (2002). Florida links the taste of diversity to what he calls the *creative class* (2002). To Florida, members of the creative class are people who 'engage in work whose function is to "create meaningful new forms"' (Florida 2002, p. 67) and who 'create economic value through their creativity' (ibid., p. 68). He (ibid., 79) argues that:

> Diversity of peoples is favored first of all out of self-interest. […] Talented people defy classification based on race, ethnicity, gender, sexual preference or appearance. One indicator of this preference for diversity is reflected in the fact that Creative Class people tell me that at job interviews they like to ask if the company offers same-sex partner benefits, even when they are not themselves gay. What they're seeking is an environment open to differences.

This shows that Florida sees the desire to live in a diverse environment as a search for a place 'where non-standard people are welcome' (ibid). Using different indices, such as the gay and the bohemian

indices, Florida could find a correlation between creative people and diverse cities in the US, the highest ranking being San Francisco, Austin, Boston and San Diego (Florida 2002).

Three things have to be noted here, though. Firstly, Florida's argument for diversity is based around a city and not a neighbourhood level. Secondly, using census data for this correlation does not account for the fact that these cities, ranking high in diversity in a city level, might actually be segregated within. And it also does not explain whether creative class people actually settle in diverse areas. These issues will be addressed through the empirical studies in this thesis. Thirdly, just looking at the creative class – which in 2002 made up for 30% of the work force in the US – leaves out the majority of the population, especially those who are less economically secure and can't choose their work and living place as freely. Florida's approach has thus been criticised for its underlying neo-liberal and gentrifying agenda (see for instance Peck 2005; Marcuse 2003). Whilst I agree with this critique, Florida's concepts of the creative city and creative class have influenced and shaped urban planning and policy-making (Atkinson & Easthope 2009) – as evident in the case study presented in Chapter 4 – and therefore have relevance in practice[4].

To test whether the taste of diversity translates into an exchange, Blokland and van Eijk analysed in a study (2010, p. 315) whether people who move into neighbourhoods because of their diversity form social networks across differences or, put differently, as the title of the article suggest: *Do People Who Like Diversity Practice Diversity?* To answer this question, the authors conducted 206 structured interviews with residents of the diverse neighbourhood Cool-South in Rotterdam. Overall, their findings suggest that 'a taste for diversity means little to social network diversity' (ibid, p. 327). Thus they conclude that this shows 'how hard it is to mix communities, even among people who claim to be open to such mixture and moved to an area because the diversity attracted them' (ibid., p. 328).

In an older study looking at London as a case study, Butler (2003) comes to a similar result. Whilst residents value diversity and social inclusion in their narrative of settlement, this does not translate into interaction or social exchange (Butler 2003, p. 2471). Thus, he concludes that the other is 'much valued as a kind of social wall-paper, but no more' (Butler 2003, p. 2484). Wessendorf (2013, p. 415) in her analysis of the diverse London borough Hackney draws comparable conclusions about the unwillingness of hipsters – young, fashionably dressed, mostly middle-class people in their 20s (ibid., p. 414) – to engage with other members of the neighbourhood.

[4] Florida himself has recognised this problem and seeks to address it in his most recent book *The New Urban Crisis: How Our Cities Are Increasing Inequality, Deepening Segregation, and Failing the Middle Class—And What We Can Do About It (2017)*. However, the hype around his creative city theory, promoted and sold to cities worldwide – fees for a presentation by Florida have reached up to US$35.000 (Wainwright 2017) – has taken a life on its own.

Apart from finding a lack of social mixing, Blokland and van Eijk made a few other interesting observations in their study. Firstly, in accordance with Allen and Florida, diversity-seekers in their sample were higher-educated and more likely to have a paid job (Blokland & van Eijk 2009, p. 322). Secondly, even though diversity-seekers did not necessarily work in the neighbourhood, they spent their leisure time locally (ibid., 323). Thirdly, the only difference between diversity-seeker and other residents was their more frequent use of local facilities such as restaurants, cafés or bars (ibid, 325). These findings suggest that diversity in this context seems to be above all a lifestyle choice of better-off individuals rather than a genuine interest in social mixing. However, it also becomes clear how diversity-seekers because of their socio-economic profile – high-skilled and high-earning – can potentially be an incentive for private stakeholders to invest in diversity, a point that I will elaborate on in the next section.

2.2.3.2 Value for Businesses: The Diversity Dividend

How the creative class with their desire to live in diverse places create value for businesses is at the core of Richard Florida's theory[5]. He argues that people – and not companies – are the driving force behind economic growth because it isn't corporations that attract employers anymore but that companies nowadays settle where the creative capital is (Florida 2002). Florida (2002, p. 223) claims 'that regional economic growth is driven by the location choice of creative people – the holders of creative capital – who prefer places that are diverse, tolerant and open to new ideas'. Another characteristic of the creative class is that they out-source a lot of their services, which creates a simultaneous high demand for low-skilled workers (Butler 2003, p. 2471; Florida 2002, p. 76) as well as restaurants and other local business of the service industry. Again, the question here is whether these low-skilled workers will actually be part of the neighbourhood or whether they have to commute to their workplace, as they can't afford the competitive rent prices in those attractive areas.

This section has shown that value for residents, as well as businesses, can be generated by diverse neighbourhoods. I have also pointed out some shortcomings of the assumptions, I seek to address in this thesis. There was the lack of evidence base for the demographic make-up of diversity-seekers in Allen's (1980) article, and Florida's level of analysis – the city level – has its flaws. In addition, no data

[5] The foundation for this human capital theory stressing the importance of the place for a thriving economy were laid by Jane Jacobs in her seminal work *The Economy of Cities* (1972).

has been produced seeking to talk to the diversity-seekers directly about their preference to live in a diverse neighbourhood and exploring the diversity-seeker phenomenon in Australia.

Based on the public value approach and its aim to primarily create value for the public, I will thus be most interested in establishing in more depth what the value of population diversity for the public is and if this phenomenon of diversity-seeker can be found in Australia as well.

2.2.4 Conclusion

The most adequate value concept identified for this research project – *public value* – takes the normative stand that it is the public sector's obligation to promote the public interest and value in urban renewal projects. To do this, it is paramount to identify what the public values as well as to ensure that there is the support and organisational capability to produce it. In addition, the *shared value* concept has been introduced as a necessary extension accounting for the fact that the private sector plays a dominant role in urban renewal. This concept is thus a strategic proposal on how public and private sector together can create value for the community.

This chapter has also looked at the value of diverse neighbourhoods for different interest groups. Whilst in Section 2.1.4, the benefits of diversity for disadvantaged areas has been examined, the focus in Section 2.2.3.1 was on the middle-class and their taste for diversity and tolerance as a form of consumption. However, similar to the discussion on social-mixing policies, a problem related to the commodification of diversity as a lifestyle for middle-class professionals is that, if not regulated, it can induce displacement and inequality through *gentrification*. This is something that needs to be considered if the aim with creating diverse neighbourhoods is to combat segregation.

Now that the approaches regarding diversity and value have been established for this thesis, the question about how diversity adds value to urban neighbourhoods will be empirically addressed. This will be done through a case study and a survey. Based on the theoretical concepts and addressing the lack of data pointed out in Section 2.2.3.1, the questions the empirical part of this thesis seeks to answer, are:

With the case study

1. How is diversity currently valued in urban renewal projects?

With the survey

2. Is diversity a public value?
3. What forms of diversity are valued by the public?
4. Do diversity-seekers exist in Australia? And, if yes, who are they?

3 METHODOLOGY

This chapter presents the empirical approach of this thesis set out to answer the research question about whether and how diversity adds value to urban neighbourhoods. This will be mainly explored from the perspective of local residents under the umbrella of public value. The main methodical question thus is how to identify and measure public value. Bozeman and Johnson (2015, p. 64) list five different ways to do that, namely through:

- Literature review
- Case study
- Qualitative research/questionnaires
- Content analysis of public documents
- Philosophical argumentation

All of these approaches will be applied in this thesis – in varying extent – in order to establish the public value of diversity in an urban context. Theoretically, the value of diversity has already been addressed through a literature review and philosophical argumentation in the previous chapter. Empirically, this will be done by examining a case study and conducting a survey, the results of which will be presented in the following chapters. With the case study, I aim to investigate *why and how diversity is valued in urban renewal*. However, *what kinds of diversities are valued*, *how they are valued* and *by whom* cannot be clearly explained by reviewing literature and policy documents or talking to key informants. Hence, the case study will be complemented and extended by a survey, as little empirical data on what the public values in diversity exists to date.

Both approaches will be introduced in detail in this chapter. First, the case study design will be presented, pointing out methodological considerations as well as the relevance of case studies in urban research. Also, a suitable case study to address the research questions – Melbourne Docklands – will be introduced. Next, the survey design will be explained, including the geographical scope, participant recruitment and survey construction.

3.1 Case Study

To address the question of *why and how diversity was valued in an urban renewal project*, I will look at one suitable case study. The single-case study approach has been chosen for this thesis, as depth was prioritised over comparability (Campbell 2003). In the following, I will discuss this method in order to provide insight into the value of diversity within urban renewal.

The case study approach is a popular research method among urban researchers as, according to Campbell (2003, p.3), they 'have a hard time isolating phenomena from context because it is this context itself – the complex cluster that is a city – that is the subject of study'. With regards to investigating the value attributed to diversity in urban renewal, for instance, this case study has shown that the historical, political and social context, as well as stakeholder composition and the level of community engagement affect the role diversity plays. Other methods, such as surveys or statistical data, are limited in how they can take into account such complexity (Yin 2009, p. 18). Thus, Campbell (2003, p. 4) argues that 'the case study method is a far more flexible method that can tolerate the complex and unruly elements of urbanism'. Similarly, Birch (2012, p. 273) concludes that 'case study approaches allow urban planning scholars to provide the evidence, depth, and detail about place that other methods do not capture'.

3.1.1 Methodological Considerations

To find out whether the case study approach was the most suitable method for my research, Yin's (2009) considerations were very helpful. According to the author, there are three conditions that make case studies the preferred research method, which are:

a) '"how" or "why" questions are being posed
b) the investigator has little control over events
c) the focus is on a contemporary phenomenon within a real-life context' (Yin 2009, p.2).

All of these conditions are met by the research endeavour of this thesis.

a) The study aims to explore the question of *why* diversity was valued in an urban renewal project – i.e. who was the driving force behind promoting diversity – as well as *how* diversity was valued in an urban renewal project – i.e. the extent to which diversity was promoted.
b) Mechanisms and events at play in urban renewal are far beyond the control of the investigator or any individual person.
c) As argued in the introductory chapter, population diversity in neighbourhoods is a phenomenon that has gained scholarly attention and popularity in the last three decades. And whilst the role of diversity has been theorised, only looking at a real-life example will provide insight into the importance, value, and challenges that are associated with diversity in urban renewal.

Regarding the types of case studies, Yin distinguishes between the three following ones: *exploratory*, *descriptive* and *explanatory* (Yin 2009 pp. 47-52). The case study conducted in this thesis can be

classified as exploratory as well as descriptive. The case study is exploratory as it is looking at a single case with the aim to better understand an emerging phenomenon, the value of diversity. It is descriptive in outlining a phenomenon that cannot be generalised but from which valuable lessons can be drawn. This is in line with the outcome of most case studies in the urban planning literature, which according to Birch (2012, p. 273) 'aim to inform the future'.

3.1.2 Data Collection

In a case study, data can and should be included from a range of sources, such as census data, surveys, interviews, observations (Birch 2012). Birch provides a list of types of data, which every case study should entail:

a) a chronology of events
b) reviewing primary and secondary material
c) identifying key actors and stakeholders
d) quantitative and descriptive information
e) interview of people, who can clarify various elements of the case
f) site visits and/or personal observation of meetings or other events relevant to the case
g) collection of assessment information that will assist in judging the case

All of these types of data will be included in the following case study, except for the site visit.

a) Background data, including a historical overview, of the urban renewal project will be outlined
b) Primary (i.e. strategic documents) as well as secondary (academic literature, newspaper article) will be reviewed
c) The key public stakeholders will be introduced
d) Census data as well as some economic data will be provided
e) Five interviews with key informants have been conducted
f) No site visit has been undertaken. Whilst this might have been beneficial – for instance for interview recruitment – it would not have further informed or enriched the research question – why and how diversity was valued.
g) Information that help to judge the case – i.e. the extent to which public value was created – has been established in the conceptual part in this study. Moreover, the visions/directions outlined in strategic documents and the evaluations from the key informants also serve as important information that enable an evaluation of the case study.

3.1.3 Case Study Selection

As a suitable case study for this project, I have identified the urban renewal project *Docklands* in Melbourne (Victoria). This choice was based on the following three reasons:

1. The Victoria State Government (2017) aims to create public value with all its activities and investments.
2. Creating a diverse residential community in this urban renewal project is specifically outlined in a key reference document for community related planning. This document was created together with the local community and, thus, shows that population diversity can be classified as a public value.
3. Richard Florida's idea of the *creative city* was part of the vision for the Docklands redevelopment – at least during the implementation phase.

All of these reasons make Docklands a very relevant urban renewal project when trying to understand the role diversity plays in this context.

3.1.4 Interviews

As part of this case study, I have interviewed five key informants from the public sector, two from Development Victoria and three from the City of Melbourne (see Table 3.1). Three of the interviews were completed via email and two were over the phone. It was up to the interviewees' preferences whether to conduct the interview in written form or via telephone. This choice had an impact on the interview style and responsiveness. Whilst the interviews via email were more structured and less responsive, the interviews conducted over the phone were conversational in style and more open, with the possibility of asking follow-up questions at the time. In one case, clarifying questions were asked via email as well.

The key informants for the interviews have been recruited through contacting their organisations – Development Victoria and the City of Melbourne – and inquiring about relevant (and interested) contact persons via email and telephone. Recruitment was difficult and protracted because of the senior level key informants I was seeking. Ultimately, I was only able to recruit five key informants, however, it was sufficient for detailed information relevant to this case study.

Ethics was sought and approved for the interviews (as well as the survey) from the Western Sydney University Human Research Ethics Committee (see Appendix 9.1). All key informants received a participant information sheet, providing detailed information about the project, anonymity, withdrawal options as well as data usage and storage (see Appendix 9.2). By signing a consent form

(see Attachment 9.3) all informants gave their permission to the terms and conditions outlined in the participant information sheet.

All interviews were conducted between June and August 2017. The two phone interviews were between 20 and 30 minutes long and were transcribed afterwards. This way, all interviews were available in written form for the analysis. Whilst the questions served as a thematic guideline through the interviews, I used thematic coding to highlight certain statements and reoccurring themes.

Table 3.1. Key Informant Overview

Acronym	Organisation	Interview Medium
KI1	City of Melbourne	Email
KI2	City of Melbourne	Email
KI3	City of Melbourne	Phone
KI4	Development Victoria	Email
KI5	Development Victoria	Phone

3.1.4.1 Interview Questions

The following questions provided a guideline for the interviews I conducted with the five key informants from the public sector involved in Docklands:

1. Can you describe your organisation's role in the Docklands urban renewal project?
2. What is/was your role in relation to the Docklands urban renewal project?
3. If you hear the term diversity within urban affairs/planning what forms of diversity are you thinking about? (e.g. population diversity, cultural or social diversity, mixed-use)
4. Which forms of diversity are most prevalent in your area of work and why?
5. Has diversity played a role in the Docklands urban renewal project and why?
6. Do you see any economic value to diversity and, if so, where?

With the first two questions, my aim was to ascertain the role and responsibilities of the key informant. Question three and four inquire about the meaning diversity has for the interviewee within their field of work. This is in order to understand whether diversity has a fixed meaning within urban renewal or whether its meaning is context sensitive. The next two questions are highly relevant for the purpose of this research. Question five inquired about the role diversity has played in the urban renewal project and, if so, the reason for it. I consciously avoided using the term *value* in this question, as it is an ambiguous concept – something I wanted to avoid, especially when interviews were

completed via email. Besides, the analysis of the answers to this question was designed to provide insight into whether or not diversity was valued. Asking about a potential economic value of diversity in question six, the rationale was to understand whether the value seen in diversity was primarily economically driven in this context or not.

3.1.5 Conclusion

The case study approach has been chosen for this research project as it provides insight into why and how diversity is valued in context, in this case, in urban renewal. One advantage of this approach is that it captures the historic, political and socio-economic complexity in which urban planning takes place. For this thesis, the urban renewal project Docklands in Melbourne has been identified as a suitable case study, which will be presented and analysed in Chapter 4. In addition to providing insight into the research questions, two types of outcome result from case study research within urban planning according to Birch (2012). Firstly, 'the translation of the new knowledge into practice' and, secondly, 'the stimulation of new research' (Birch 2012, p. 277).

Whilst the case study takes into account the *public sector* perspective on the value of diversity, a survey has been conducted as part of this study in order to evaluate what the *public* – in this case *residents* – value in diversity. The methodological approach to capture this through a survey will be introduced in the following section.

3.2 Survey

One of the outcomes of this thesis is to provide knowledge about what kinds of diversity the public values. Here, I am most interested in opinions and attitudes of inhabitants of the cities and suburbs, meaning the people who permanently live in a place and are thus most affected by what kind of neighbourhoods are created. To find out what urban residents value in neighbourhood diversity, I conducted an online survey. Furthermore, no specific evaluation asking for the motivations of people to live in and move into diverse neighbourhoods has been conducted to date. However, Paul Ceshire (2012, p. 17) writes that his 'starting point is that the choices people make for themselves are the best way of discovering what their preferences are, what makes them happy'. Thus, the data generated through this survey will provide insight into whether and what residents value in neighbourhood diversity. The following are the key questions that the respondents of the survey are expected to provide insight on:

1. What do people associate with the term diversity?
2. What kind(s) of diversity do people value?
3. Who are the people that actively value neighbourhood diversity?
4. What price – monetary and non-monetary – are people willing to pay to live in a diverse neighbourhood?
5. What do people value in neighbourhood diversity?

In order to be able to answer these questions, it was important to first characterise and then identify suitable areas from which to recruit survey participants. The decision was made to conduct the survey in those areas that actually are diverse compared to other suburbs in the city and based on the diversity concept outlined in the conceptual part of this thesis. Firstly, this would heighten the chances that people are aware of and encounter diversity on a regular basis, and probably have self-consciously evaluated whether or not they value it. Secondly, it allowed me to potentially capture those people who moved into a neighbourhood because of its diversity, the so-called *diversity-seeker.*

This meant that before I could disseminate the survey to suitable participants, I had to identify the most diverse suburbs in Sydney, Melbourne and Brisbane. Those three cities were chosen since they are the largest population centres in Australia, and together house around 50% of the national population. To recruit participants from more than one city, furthermore, enables me to get more robust data on the value of diversity and allows for the analysis of possible locational differences.

In the following, I provide information on the level of spatial analysis, the operationalisation of diversity and the diversity index used. I will then name the most diverse suburbs, and subsequently present and analyse the survey findings in the subsequent results chapters that follow.

3.2.1 Identifying Public Value Through Surveys

The relevance of surveys in establishing what the public values is discussed by different authors. Horner and Hazel (2005, p. 34), for instance, argue that citizens decide what is valued 'through the democratic process, not just through the ballot box, but through taking part in […] consultations and surveys'. Engaging the public through research in order to establish what is valued is also promoted by psychologist and business economist Timo Meynhardt. He is interested in the philosophy and psychology underlying public value creation. Meynhardt (2009, p. 212). argues for a process of identifying value in consultation with the public, as apparent in the definition he offers:

> Public value is value for the public. Value for the public is a result of evaluations about how basic needs of individuals, groups and the society as a whole are influenced in relationships involving the public. Public value then is also value from the public, i.e., "drawn" from the experience of the public.

He further points out that 'analyzing value means asking people for their emotional-motivational evaluation (positive/negative reaction) concerning a certain object (real or ideational)' (ibid., p. 199). According to this approach, one would have to consult with the people in order to establish what the public value of diverse neighbourhoods is, instead of making assumptions about what the value could be.

In addition to asking specifically what it is that the public values, van der Wal, de Graf and Lathuizen (2008, p. 468) point out that valuing something is also expressed in actions people take. They argue that:

> Values never come just by themselves, never appear unaccompanied. Values are always attached to a value manifestation, a choice of action such as a decision-making preference, and express a quality or general standard of conduct.

In this thesis, I am interested to find out if and what the public values in diversity. But also if diversity plays a role in the decision-making of where to live and if people are willing to pay monetary or non-monetary costs in order to live in a diverse neighbourhood. Consequently, both questions evaluating what people value in diversity as well decisions they make that reflect that evaluation will be included in the survey.

3.2.2 Measuring Suburb Diversity

To identify the most diverse suburbs in Sydney, Melbourne and Brisbane, I have applied a diversity index to data from the 2016 Australian Census of Population and Houses, which is conducted every five years by the Australian Bureau of Statistics (ABS). In this section, I discuss which diversity I used, what it measures and which suburbs are most diverse, will be discussed in detail in this section.

3.2.2.1 Measuring Diversity

A detailed methodical outline of how to quantitatively measure diversity has been delivered by Emily Talen in her work *Design for Diversity* (2008). Using Chicago as a case study, she displayed the diversity of different neighbourhoods along income, race/ethnicity, family type and age in order to investigate the relation between diversity and design. To measure diversity, Talen used two different diversity

indices, the *Simpson's Diversity Index* and the *Neighbourhood Diversity Index*. The Simpson's Diversity Index has been used in ecology since the 1940s and measures how many categories (in the case of a neighbourhood study e.g. income levels, ethnicities, housing types) exist in a given area. The Neighbourhood Diversity Index, in contrast, compares the population distribution of an area to the overall city average, which allows for the identification of the most diverse neighbourhood within a city.

Whilst I used the Simpson's Diversity Index in order to determine the level of diversity of an area, I used a different approach in order to establish a ranking of the most and least diverse suburbs. First, I computed the diversity index for every postal area within each of the three metropolitan areas and then ranked them all from most to least diverse. This allowed me to get a ranking for the three metropolitan areas together, as well as for each urban region individually.

3.2.2.2 Level of Analysis

The level of analysis chosen for the identification of the most diverse neighbourhoods in Sydney, Melbourne and Brisbane are postal areas (POA). While a limitation of this approach is that this might exceed the understanding of what people view as their neighbourhood, they have been chosen for the following two reasons:

1. Identifying and geographically locating census data for Sydney, Melbourne and Brisbane is simplest along the postal areas
2. Survey participants could only be recruited through their postal areas[6]

Australia Post does not define geographical boundaries for their postal areas (POAs), so therefore the ABS provides approximated data for POAs using one or more Statistical Areas Level 1 (SA1s) from the Australian Statistical Geography Standard. SA1s are the smallest geographic areas on which census data are released (ABS 2016a).

The identified suburbs in the metropolitan areas of Sydney, Melbourne and Brisbane range between 150 and 300 per city and have between 50 and 100,000 inhabitants each, with an average of 15,000 residents. Table 3.2 depicts the postal codes that can be assigned to the respective metropolitan area as well as the amount of postal areas that exist in each metro area.

[6] The survey sampling service I was working with used postal codes as the smallest geographical scale from which to recruit survey participants.

Table 3.2. Metropolitan and Postal Areas

METRO AREA	POSTAL CODES	Number of POAs
Greater Sydney	2000-2263; 2555-2574; 2745-2787	263
Greater Melbourne	3000-3211; 3335-3341; 3427-3442; 3750-3816; 3910-3944; 3975-3987	293
Greater Brisbane	4000-4207; 4275-4346; 4500-4552	150

3.2.2.3 Simpson's Diversity Index

A number of different indices exists to measure the diversity of a geographical area. In general, diversity indices take into account the *richness* – the amount of categories present in a given area – and the *evenness* – the way in which individuals are spread among the categories – in a specific area. The Simpson's Diversity Index was developed in the 1940s to measure diversity in ecology to determine the biodiversity of a habitat. More recently, it has been applied to measuring the diversity of different human population characteristics within certain local boundaries (see e.g., Talen 2008, SBS[7]).

The Simpson's Diversity Index measures the probability that two randomly selected individuals belong to the same category. The higher the probability that they belong to the same category, the higher the diversity index. There are different formal expressions of Simpson's Diversity Index, with the diversity value indicating different things, which is why it is important to be consistent and to ascertain which one has been used. The following formula has been used to identify the most diverse suburbs in Sydney, Melbourne and Brisbane in this thesis:

$$D = \frac{\Sigma\, n\,(n-1)}{N(N-1)}$$

D stands for the diversity index, *N* for the total number of all people living in one suburb and *n* for the total number of people belonging to one category (e.g. weekly income 0-$499). Values for this index range between 0 and 1, whereas a higher value indicates a less diverse area. As this is somewhat counterintuitive, I have used what is being called the *Simpson's Index of Diversity,* which simply subtracts D from 1 (1-D). This way, a higher diversity index represents a more diverse area. This index

[7] "How diverse is my suburb" is an interactive tool on the SBS website that indicates the diversity of Australian suburbs via ancestry, age, food, religion and birthplace data from the 2011 ABS census using the Simpson Diversity Index. http://www.sbs.com.au/news/interactive/how-diverse-is-my-suburb

now calculates the probability that two individuals randomly selected from a sample will belong to different populations. The formal expression looks like this:

$$1 - D = \frac{\Sigma\, n\,(n-1)}{N(N-1)}$$

To demonstrate how the Simpson Diversity Index works, let us imagine two fictive suburbs A and B. Both contain the same amount of individuals and categories (richness), however, the distribution of individuals among the categories differs (evenness). Whilst the amount of individuals living in Suburb A are spread evenly across the three income categories noted, 99% of individuals in Suburb B earn between $500 and $999 per week (see Table 3.3).

Table 3.3. Simpson Diversity Index Example

Personal Weekly Income in $	**Suburb A** individuals	**Suburb B** individuals(%)
0-499 (n_1)	333 (33.3%)	2 (0.002%)
500-999 (n_2)	333 (33.3%)	990 (99%)
1000-2000 (n_3)	334 (33.4%)	8 (0.008%)
Total (N)	1000	1000
Simpson's Index of Diversity	**0.667333333**	**0.019851852**

The Simpson's Index of Diversity for Suburb A is much higher, indicating a greater diversity. The probability that two randomly selected individuals from Suburb B do not earn $500-999 per week is by only 2%, whereas in suburb A the probability that two randomly selected individuals belong to a different income category is 66%. The strongly differing results can be explained by the fact that the more unequal the distribution of people in the various categories is, the bigger is n and the higher is D and the smaller is 1-D. The diversity index of 0.667 for Suburb A seems quite small, given that this example represents all three groups in equal proportions. This is due to the fact, that only three categories were considered in this index. The more categories are included, the higher the index becomes, given that there is an equal distribution across the categories.

3.2.2.4 *Operationalising Diversity*

Based on the reviewed literature and reflecting the presence of differences across numerous variables – super-diversity – I favour a term of diversity for this project that refers to a mix of demographic characteristics as well as tenure mix within a relatively small geographical area. Thus, the variables included in the Simpson's Diversity Index have to reflect this complexity.[8] Table 3.4 illustrates which diversity variables have been measured by which ABS category, derived from the 2016 census data that was released by the ABS in June 2017.

Table 3.4. Diversity Variables and ABS Categories

DIVERSITY VARIABLE	CATEGORY ABS[9]
Age	Age in 10 year groups
Gender/Sex	Sex (Male, female)
Family Type	- Family Household Composition (Dwelling) - Same-Sex Couples
Income	Total Personal Weekly Income
Cultural & ethnic diversity	- Country of Birth of Person - Ancestry - Language Spoken at Home - Religion
Education	- Highest Year of School Completed - Level of Highest Education
Employment	- Labour Force Status - Industry of Employment
Household Type	Household Composition
Tenure Type	Tenure Type

At the point the survey was conducted, the 2016 census data on *employment* (Labour Force Status and Industry of Employment) as well the *highest level of education* had not been released yet. These variables would have been useful additional indicators of the socio-economic composition of the

[8] Whilst I agree with a multi-layered approach to urban diversity introduced in Chapter 2.1.2, like hyper-diversity, it is not yet possible to account for those variables such as lifestyle, attitudes and activities with existing statistical data, i.e. census data, which I will be using in order to identify the most diverse suburbs. However, when conducting the survey, demographic data of the participants will be collected and will provide insight into differences in attitudes and lifestyle choices.

[9] Detailed definitions for each variable can be found the 2016 census dictionary (ABS 2017).

postal areas, however, data on the personal weekly income was available instead. As income is a very direct indicator of the economic status of a person, the availability of this variable ensures that economic information about the respective residents is included (although it does not specify where this income is coming from – e.g. from paid employment or from social support).

With regards to cultural and ethnic diversity, which was measured along four variables (country of birth, ancestry, language spoken at home and religion), the diversity indices have been averaged into one variable, so that in the final calculation of the most diverse suburbs cultural diversity was not weighed too strongly compared to the other variables. This decision was based on the assumption that those four forms of cultural diversity are highly correlated. Meaning that someone who was born in a different country is also more likely to have a different ancestral background, to speak another language at home and practice a different religion. If all those variables would have had the same weight as, say, age or sexuality, suburbs with a high cultural diversity would have still received a high diversity score even if the variety across other variables, such as age or sexuality, was comparably low.

3.2.2.5 Diversity Index Application

In order to identify the most diverse suburbs in the three selected cities, I have sourced the relevant statistical data from the 2016 ABS census. Here, I could download the data for the twelve variables on the postal area level for New South Wales, Victoria and Queensland. With a filter function, I identified the postal areas within the metropolitan areas of Sydney, Melbourne and Brisbane. I then computed the diversity index for every single variable for every postal area. I then combined the values from the variables country of birth, ancestry, language spoken at home and religion into one, as cultural diversity otherwise would have been factored in more heavily than the other diversity variables. Ultimately, I had nine diversity index values for every postal area. The average value from those nine variables produced the final diversity index for each postal area. By sorting them largest to smallest, the ranking for each metropolitan area was computed.

3.2.2.6 The Most Diverse Suburbs

The calculation of the diversity index along the nine variables for all suburbs of the metropolitan areas of Sydney, Melbourne and Brisbane has led to a number of interesting results. The figures presented below displays a list of the ten most genuinely diverse postal areas in Sydney (Figure 3.1), Melbourne (Figure 3.2) and Brisbane (Figure 3.3) and the suburbs within each:

Figure 3.1. Most Diverse Postal Areas in Sydney

SYDNEY		
1.	2555	Badgerys Creek
2.	2179	Austral, Leppington
3.	2216	Banksia, Kyeemagh, Rockdale, Brighton Le-Sands
4.	2163	Carramar, Lansdowne, Villawood
5.	2192	Belmore
6.	2165	Fairfield, Fairfield East, Fairfield Heights, Fairfield West
7.	2044	Tempe, St Peters, Sydenham
8.	2144	Auburn
9.	2166	Lansvale, Cabramatta, Canley Vale, Canley Heights, Cabramatta West
10.	2160	Merrylands, Merrylands West

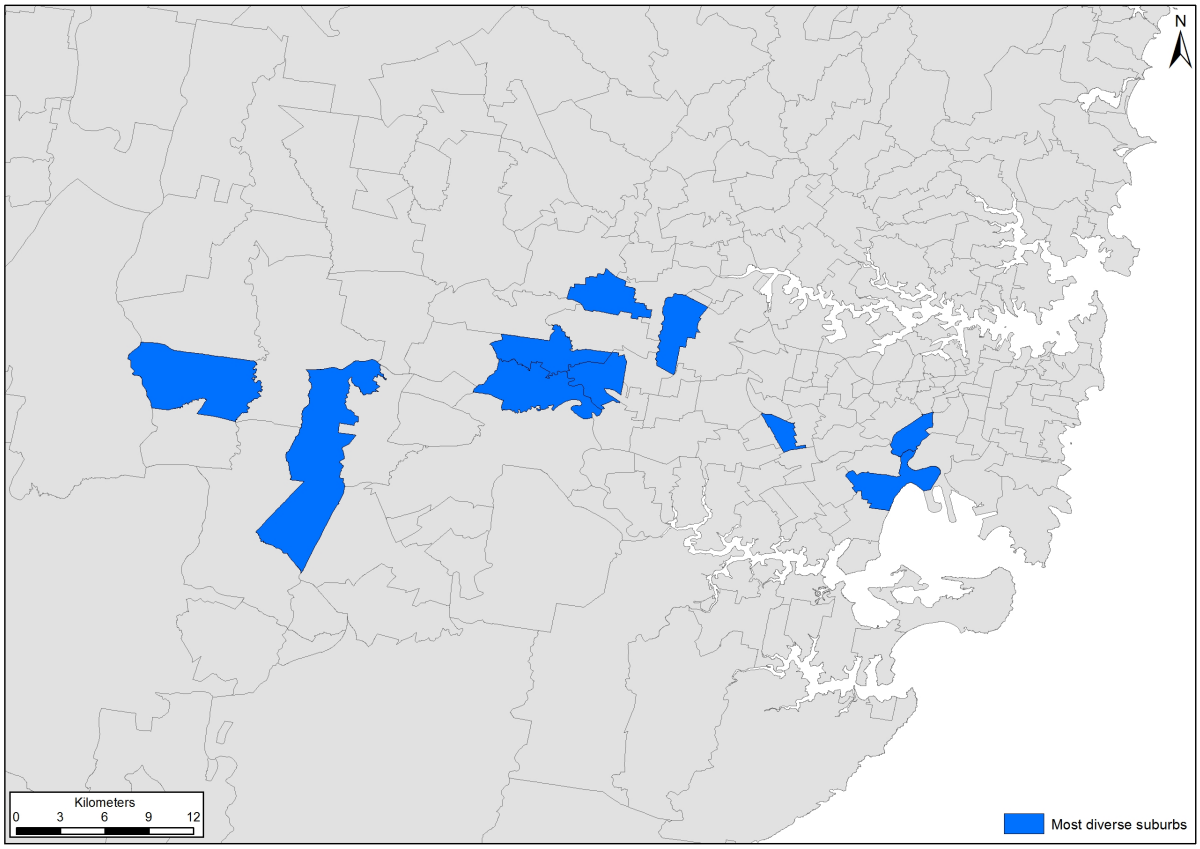


Figure 3.2. Most Diverse Postal Areas in Melbourne

MELBOURNE		
1.	3177	Doveton, Eumemmerring
2.	3171	Springvale
3.	3022	Ardeer
4.	3175	Bangholme, Dandenong, Waverley Park, Dandenong North, Dandenong South
5.	3020	Albion, Sunshine, Sunshine West, Sunshine North
6.	3021	Kealba, Albanvale, St Albans, Kings Park, St Albans East
7.	3174	Noble Park, Noble Park North
8.	3019	Braybrook, River Valley
9.	3047	Dallas, Jacana, Broadmeadows
10.	3061	Campbellfield

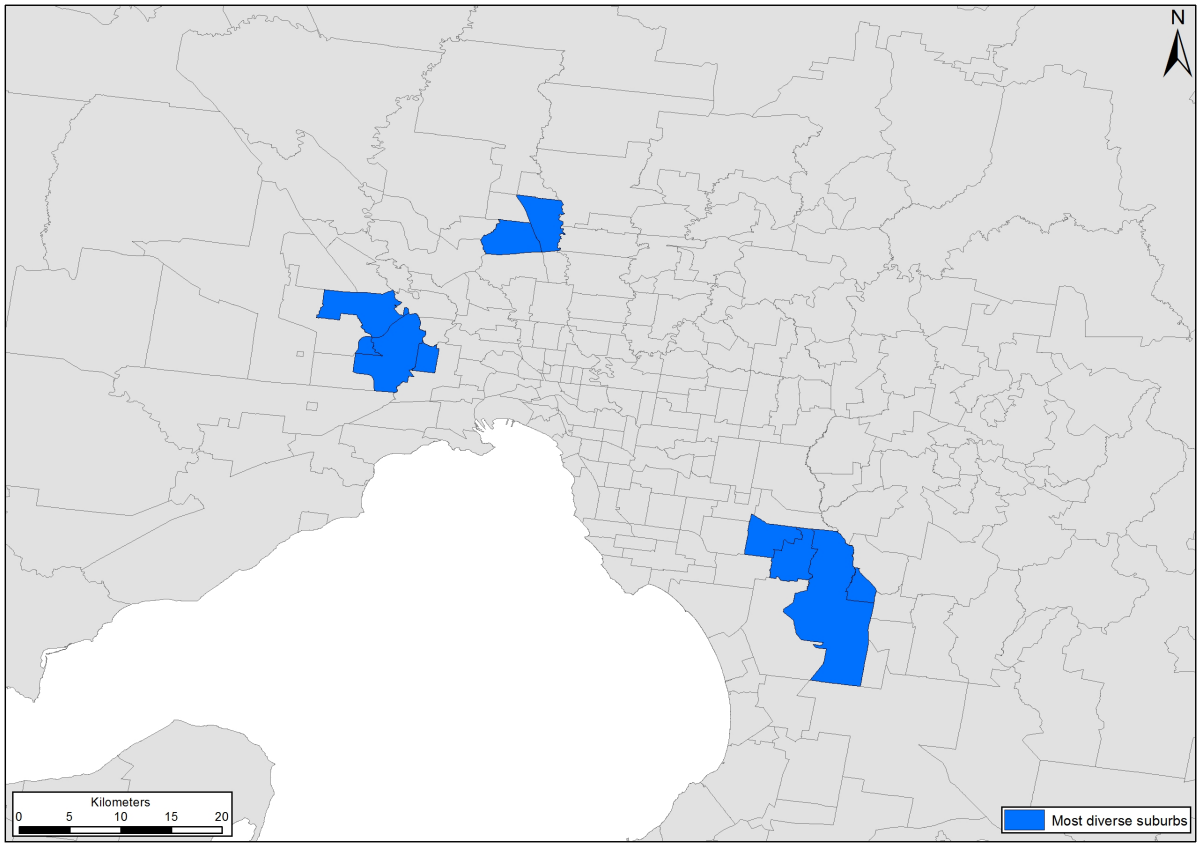
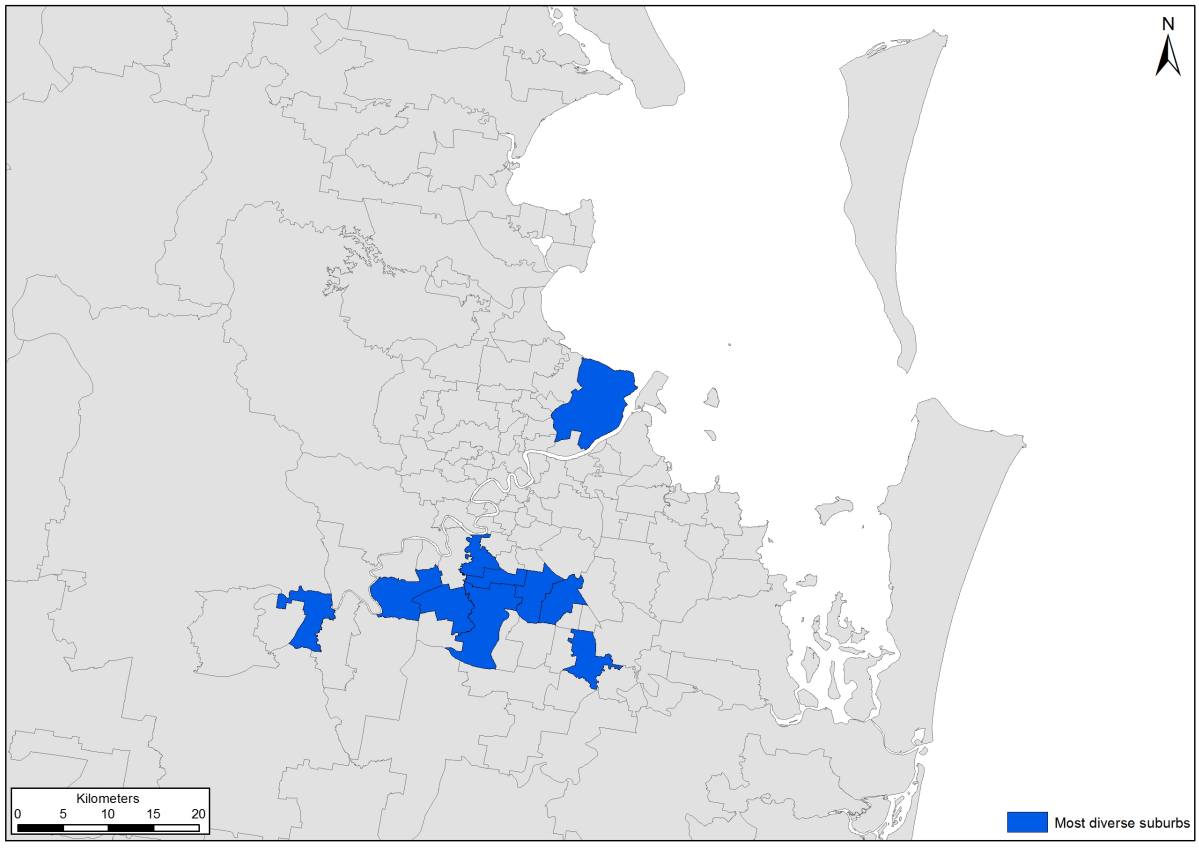


Figure 3.3. Most Diverse Postal Areas in Brisbane

BRISBANE		
1.	4106	Rocklea
2.	4077	Inala, Durack, Richlands, Doolandella
3.	4114	Kingston, Woodridge, Logan Central
4.	4108	Archerfield, Coopers Plains
5.	4110	Pallara, Heathwood, Larapinta, Willawong, Acacia Ridge
6.	4076	Darra, Wacol
7.	4109	MacGregor, Robertson, Sunnybank, Sunnybank Hills
8.	4008	Pinkenba
9.	4303	Dinmore, New Chum, Riverview
10.	4113	Runcorn, Eight Mile Plains



What stands out in the geographical distribution of the most diverse postal areas is that these are located in the suburban regions of the cities and not in the inner city. That means that these are not the trendy inner-city suburbs, such as Newtown in Sydney or Fitzroy in Melbourne, which one would associate with the kinds of diverse suburbs Richard Florida (2002) refers to in his creative city vision.

Very much in contrast, these are suburbs in more socio-economic disadvantaged areas and often characterised by older and newer migrant settlement as well as located in parts of the city formerly dominated by the manufacturing industry.

Another relevant finding from this analysis is that diverse suburbs are not isolated but spread over a number of adjacent suburbs. This shows that diversity concentrates in areas bigger than singular suburbs or postal areas.

Comparing the cities with each other, Brisbane turns out to be the least diverse metropolitan area, with only 12 suburbs being among the 100 most diverse ones. With 53 postal areas, Sydney has the highest level of diverse suburbs within the top 100 followed by Melbourne with 35 postal areas. However, the nine most diverse postal Areas are all found in Melbourne.

Based on these findings, the decision was made to include another condition for the areas from which to recruit the survey participants, namely that the median house price of the postal area should be above the median house price of the respective city. This ensures that those suburbs are included that can be termed as "attractive" and "desirable" and which are, thus, arguably on the edge of being gentrified. As one of the aims of the thesis and survey was to find out more about the diversity-seeker phenomenon in Australia, including only the most desired diverse suburbs would heighten the chances to capture this demographic.

3.2.2.7 Most Diverse and Desired Suburbs

To ascertain which suburbs are the most desired and diverse ones, the median house price for each city as well as for each postal area was identified[10]. By this measure, only those postal areas in which at least one suburb has a median house price above the average house price for the respective metropolitan area were included. The figures below indicate the current median house price for Sydney (Figure 3.4), Melbourne (Figure 3.5) and Brisbane (Figure 3.6) as well as the sixteen[11] most diverse suburbs that exceed their cities median house price. The figures also indicate the ranking the postal area has in the list of the most diverse suburbs in the respective metropolitan area as well as overall.

[10] Median house prices for the metropolitan areas and postal areas have been retrieved from the real estate website www.domain.com.au in June 2017. Median house prices for the metropolitan areas are published in quarterly reports. Median house prices for suburbs are based on the most recent sales.

[11] This is the amount of postal areas that were needed in order to recruit a total of 500 survey participants.

Figure 3.4. Most Diverse and Desired Postal Areas in Sydney

SYDNEY Metropolitan Area ($1,178,417)				
Overall Ranking among Sydney, Melbourne and Brisbane Postal areas (Total: 708)	**Ranking among Sydney Postal Areas (Total: 263)**	**Suburb**	**POA**	**Median House Price 2017**
20	7	Tempe	2044, NSW	1.34m
26	11	Rosebery	2018, NSW	1.855m
28	12	Marrickville	2204, NSW	1.42m
30	14	Arncliffe	2205, NSW	1.195m
42	20	Kogarah	2217, NSW	1.265m
48	25	Canterbury	2193, NSW	1.215m
50	26	Carlton	2218, NSW	1.216m
57	28	Mascot	2020, NSW	1.4m
68	35	Dulwich Hill	2203, NSW	1.471m
69	36	Campsie	2194,NSW	1.123m
75	39	Ashfield	2131, NSW	1.471m
76	40	Sans Souci	2219, NSW	1.286m
78	41	Maroubra	2035, NSW	1.79m
83	45	Little Bay	2036, NSW	1.585m
85	47	Croydon	2132, NSW	1.458m
89	48	Strathfield	2135, NSW	1.953m

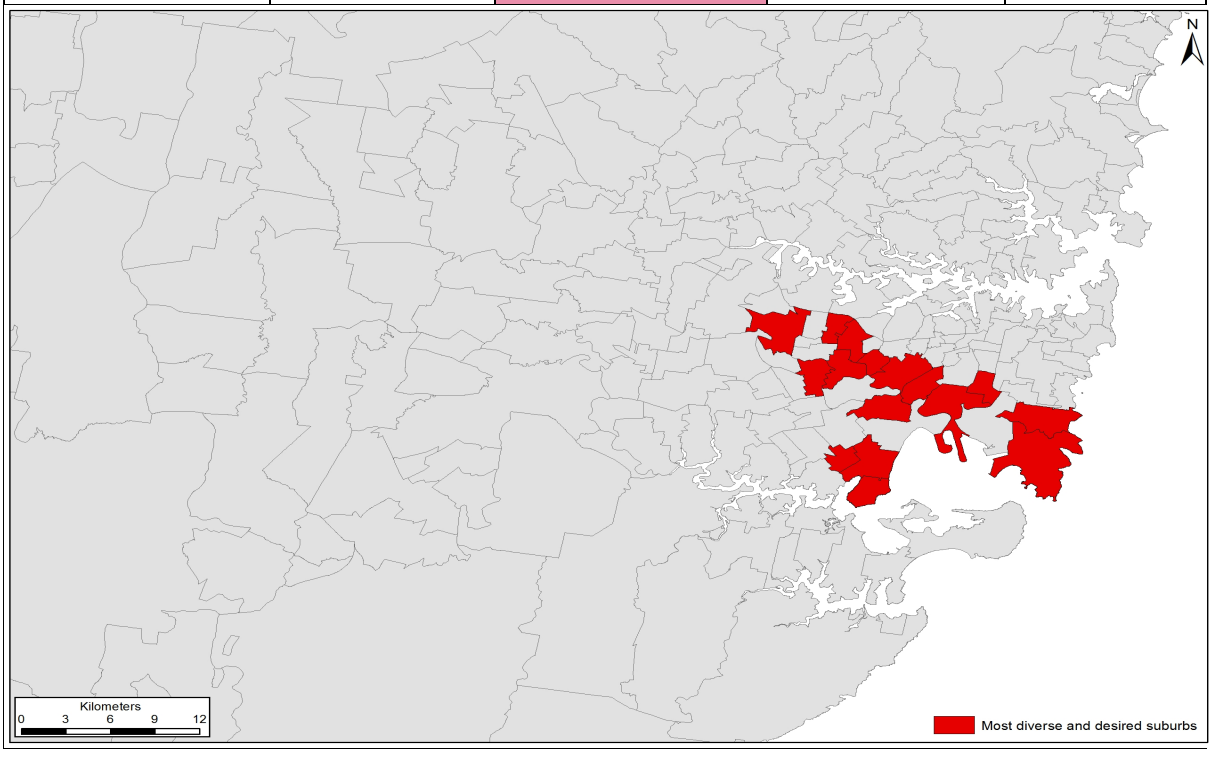


Figure 3.5. Most Diverse and Desired Postal Areas in Melbourne

MELBOURNE Metropolitan Area ($865,712)				
Overall Ranking among Sydney, Melbourne and Brisbane Postal areas (Total: 708)	**Ranking among Melbourne Postal Areas (Total: 294)**	**Suburb**	**POA**	**Median House Price**
46	19	Preston	3072, VIC	916k
61	24	Chadstone	3148, VIC	981k
74	28	Coburg	3058, VIC	904k
77	29	Oakleigh	3166, VIC	1.038m
87	31	Doncaster	3108, VIC	1.2m
94	33	Burwood	3125, VIC	1.17m
100	35	Ascot Vale	3032, VIC	1.135m
102	37	Seddon	3011, VIC	960k
107	39	Burwood East	3151, VIC	1.013m
109	40	Box Hill	3128, VIC	1.309m
111	41	Moorabbin	3189, VIC	981k
113	42	Thornbury	3071, VIC	1.134m
132	47	Oakleigh South	3167, VIC	900k
135	49	Forrest Hill	3131, VIC	993k
136	50	Brunswick West	3055, VIC	1.07m
144	53	Bayswater	3153, VIC	969k

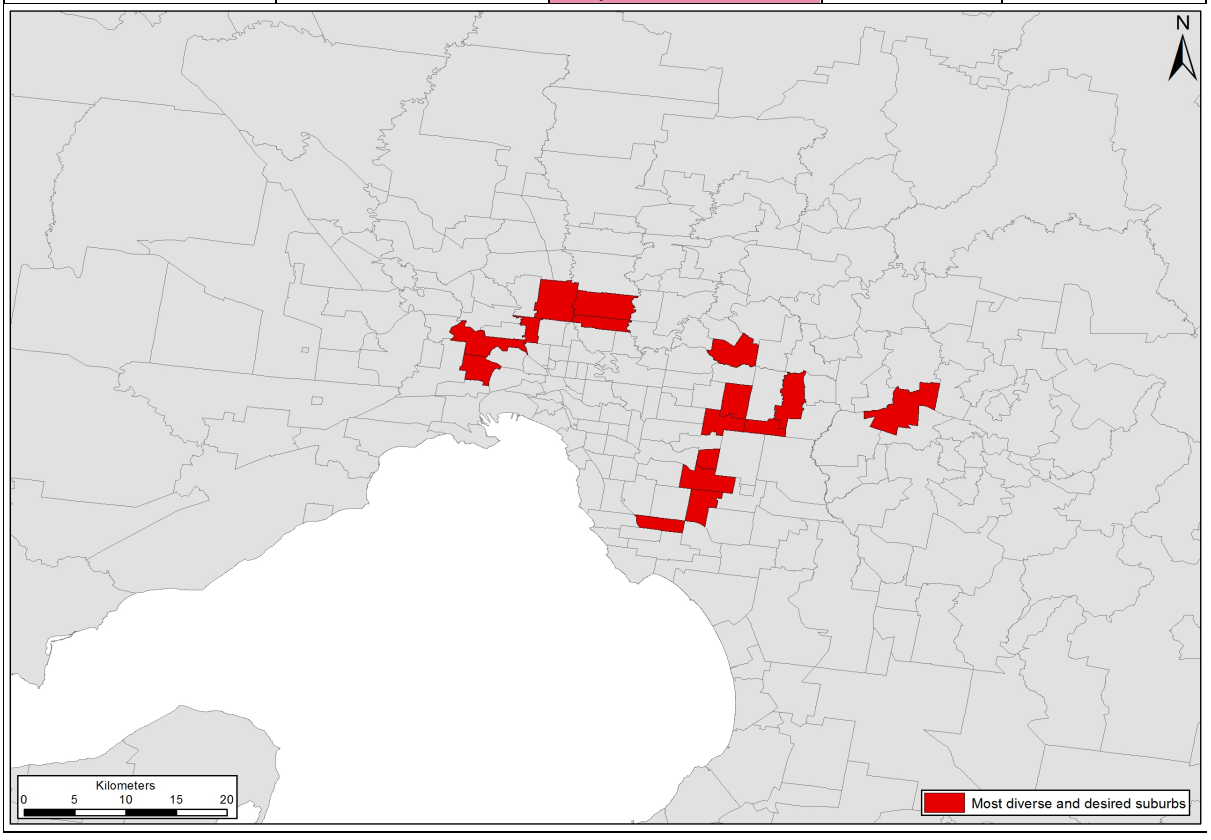
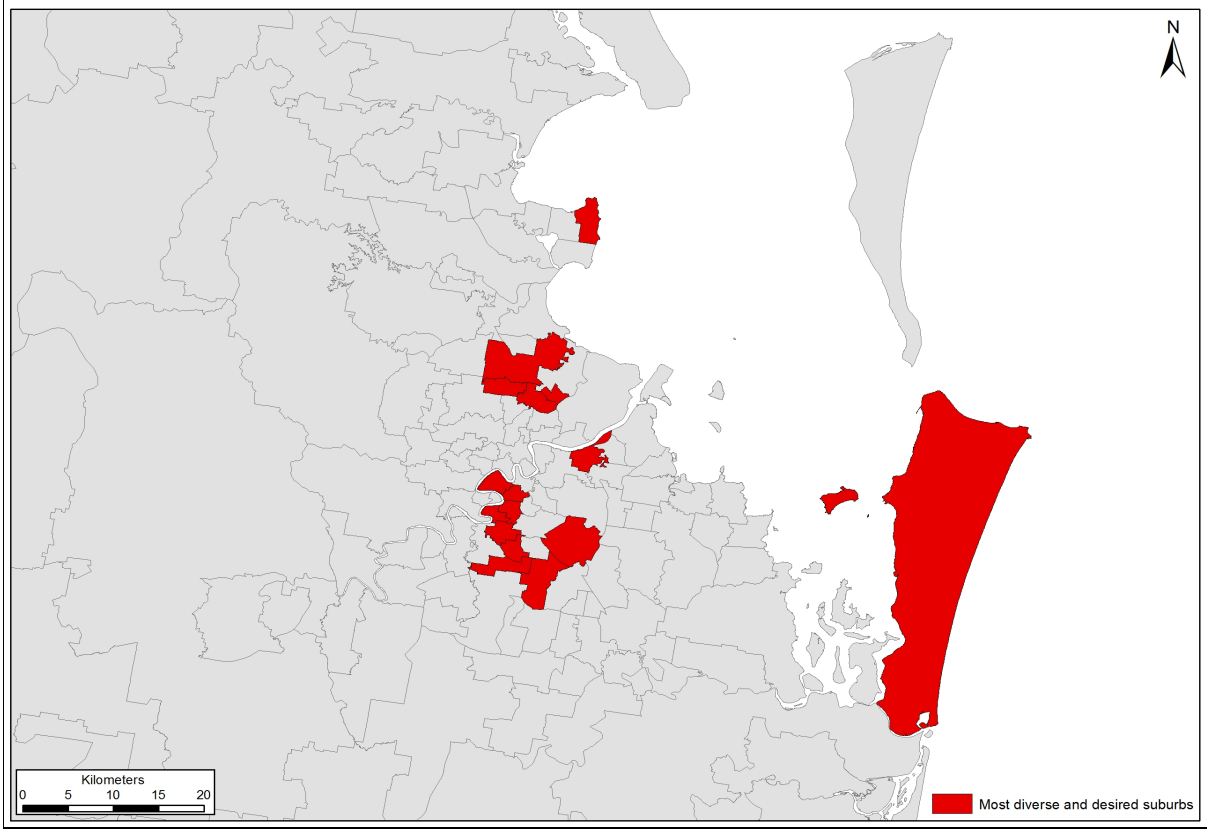


Figure 3.6. Most Diverse and Desired Postal Areas in Brisbane

BRISBANE Metropolitan Area ($546,043)				
Overall Ranking among Sydney, Melbourne and Brisbane Postal areas (Total: 708)	**Ranking among Brisbane Postal Areas (Total: 151 POA)**	**Suburb**	**POA**	**Median House Price**
35	4	Coopers Plains	4108, QLD	560k,
58	7	Sunnybank	4109, QLD	650k
126	16	Chermside	4032, QLD	553k
146	18	Newport	4020, QLD	600k
167	22	Wishart	4122, QLD	625k
190	28	Point Lookout	4183, QLD	745k
194	29	Aspley	4034, QLD	545k
198	30	Salisbury	4107, QLD	545k
207	32	Northgate	4013, QLD	580k
220	36	Moorooka	4105, QLD	595k
239	42	West End	4101, QLD	1.1m
243	43	Buranda	4102, QLD	745k
252	46	Yeronga	4104, QLD	717k
262	48	Murarrie	4172, QLD	550k
298	54	Nundah	4012, QLD	585k
301	55	Annerley	4103, QLD	684k



Comparing the most diverse suburbs with the most desired diverse suburbs shows that the most genuinely diverse suburbs are not necessarily the most desired. This is evident from the information presented in the second column of each table, which indicates the rank a suburb has on the list of the most diverse suburbs within the respective metropolitan area. In Sydney, Melbourne and Brisbane, the sixteen most desired diverse suburbs are spread among the 50 most genuinely diverse ones in each city. This suggests that housing prices are negatively correlated with population diversity, suggesting that the higher the housing costs are, the less diverse the group of people who can afford to pay these. It thus supports the assumption that the more popular a diverse neighbourhood/suburb gets, the less diverse it becomes.

3.2.3 Survey Construction

To receive information on the five key questions (see Page 31) from people living in the most desired diverse suburbs in Sydney, Melbourne and Brisbane, I developed a unique survey. The aim was to measure what kinds of diversity are valued and to find out more about the characteristics of the so-called diversity-seeker – people who actively move into a neighbourhood because of its diversity – in Australia. Below, I discuss the development and setting-up of the survey questions.

3.2.3.1 Survey Questions

The survey consists of 29 questions, 17 of which are content related and 11 are demographic questions. The survey, was structured into the following five sections:

1. Diversity Concept & Value
2. Neighbourhood Knowledge & Satisfaction
3. Neighbourhood Choice
4. Value of Diverse Neighbourhoods
5. Demographics

Table 3.5 outlines how the research questions intersect with the survey sections and what specific questions have been asked in the survey, in order to address those research questions. The survey questions are numbered in the way they appear in the survey. The complete version of the survey can be found in Appendix 9.5.

Table 3.5. Overview Research and Survey Questions

Research Questions	Survey Sections	Survey Questions	Answer Categories
What do people associate with the term diversity?	Diversity Concept & Value	1. If you think about a diverse neighbourhood population, what forms of diversity come to your mind? (Tick all that apply)	Cultural; social; demographic; economic diversity; other
What kind(s) of diversity do people value?		2. Which of the following kinds of diversity do you value? 5.-8. It is a good thing for my neighbourhood to be made up of different social/ cultural/ economic/ demographic groups?	ability/disability; age ; body size; ethnicity; gender; religion; race; sexuality; socioeconomic status; Strongly Disagree; Disagree; Neither agree nor disagree; Agree; Strongly Agree
Who are the people that actively value neighbourhood diversity?	Neighbourhood Choice Demographics	13. Which THREE, if any, of the following were your MAIN reasons for choosing to live in the neighbourhood you currently live in? (Please choose up to THREE options. If your answer is not in the list provided, please type them in the box provided.)	To be close to my workplace; To be close to my partner's workplace; I am currently/ was studying in the neighbourhood; Availability of public transport; **The diversity of the neighbourhood**; The size or type of housing available; The cost of housing available; To be close to friends/ family; To be close to good schools; To be close to local shops; To be close to restaurants/ leisure or cultural facilities; To be close to countryside/ green spaces; The quality of the built or natural environment; The safety and security of the neighbourhood; The sense of community in the neighbourhood; I have a cultural or religious association with the neighbourhood;

			I grew up in the neighbourhood; Other
What price – monetary and non-monetary – are people willing to pay to live in a diverse neighbourhood?	Value of Diverse Neighbourhoods	14. I moved into this neighbourhood because I valued its diversity 15. I am willing to pay a higher rent/housing price, in order to live in a diverse neighbourhood such as this 16. I accept a longer commute to my work place in order to live in a diverse neighbourhood such as this.	Strongly Disagree; Disagree; Neither agree nor disagree; Agree; Strongly Agree
What do people value in neighbourhood diversity?		17. Within my neighbourhood, I value (Tick all that apply)	Acceptance of otherness; That I can build networks beyond people similar to me; The atmosphere of openness and tolerance it provides; The presence of different restaurants & shops; The presence of different services; The cosmopolitan lifestyle; A younger demographic; A more open-minded demographic; The different look of people; Other

3.2.3.2 Development of the Valuing Population Diversity Survey

There are several quantitative studies that have informed the development of the questionnaire for this research project. In most cases, one or two questions were used as a template from each survey, which I have slightly adapted to fit the purpose of this research. In the following, I elaborate what studies were used and which questions they have informed.

To measure what forms of diversity are valued by residents, a question from a research project looking at diversity and safety at Western Sydney University campuses[12] was included in the survey (see question 2).

[12] Information on the project can be found here: https://www.westernsydney.edu.au/newscentre/news_centre/story_archive/2017/western_sydney_university_leads_study_on_inclusion_and_safety

Operationalising attitudes towards the diversity of one's neighbourhood, attitudinal questions from the measuring attitudes and opinions about racism and cultural diversity in Australia have proven helpful (Dunn, White & Gandhi 2010) (see questions 5 to 8). This survey has been developed by the Western Sydney University's Challenging Racism Project Team under the leadership of Professor Kevin Dunn and has been conducted in New South Wales, Queensland, Victoria and South Australia.

Looking at the neighbourhood choice of individuals, a study asking *Why Do People Live Where They Do?* (Thomas, Serwicka & Swinney 2015) offers a helpful question with different categorical choices to measure the motivation for people to live in a certain neighbourhood (see question 13). I have added the option *the diversity of the neighbourhood* as a reason to live in or move to a certain suburb in order to see whether this is one of the main reasons for people to choose a certain area over another. With regards to the neighbourhood choice, I was particularly interested in whether survey participants specifically moved into a neighbourhood because of its diversity. In addition to asking what people value, this would point out a decision-making/action-taking-process that has been conducted because something is valued. In this way, the survey enables me to find out if, and what, the public values about diversity, but also if valuing diversity plays a role in the decision-making about where to live.

In order to measure the satisfaction of residents with the neighbourhood they live in, suitable questions were identified in the *British Household Panel Survey* (see questions 9, 11, 12). The longitudinal research is conducted by the Institute for Social and Economic Research of the University of Essex and started in 1991 and consisted of over 9000 households in 2001.

One survey that was helpful with operationalising perceived diversity at a neighbourhood level stems from the *Living with Difference Questionnaire*. This study has been conducted as part of the LIVEDIFFERENCE project, run by researchers at the University of Sheffield. Piekut and Valentine (2016, p. 343) found in a cognitive pilot study that 'respondents found the question directly asking about the diversity level and percentage on non-indigenous population in their neighbourhood to be too difficult'. They have, thus, developed an ordinal 5-point scale that measures the subjective perceptions of survey participants (see questions 3 and 10).

The categories used in the demographic questions used in this survey are based on those asked in the ABS census (ABS 2016b).

3.2.3.3 Pre-Testing and Setting-up the Survey

The development of a robust survey, requires several stages of pre-testing – for example, focus groups on more general concepts and ideas around the main topic as well as trial runs in which feedback and

interpretation of every question is provided while filling out the questionnaire in the presence of the researcher (Fowler 2012). Whilst this is desired, extensive pre-testing was not possible for this thesis due to limited personnel and financial resources. However, two measures have been taken to nevertheless ensure a high level of reliability and validity. Firstly, as mentioned before, several questions have been adapted from established surveys in the field. Secondly, I tested the survey out in my personal network – including friends and colleagues – asking them to complete the questionnaire and to give feedback on the design (i.e. user friendliness), content (i.e. ambiguous terms or questions) and flow. This feedback informed the final version of the survey.

In preparation for the survey participant recruitment, the questionnaire was set up with the software *Qualtrics*. The survey was mobile and computer compatible, with the aim to reach a broad demographic. All questions had a force responds mechanism enabled in order to ensure that all questions were answered by each participant and to obtain comparable results across all questions.

3.2.4 Survey Participants

To get a representative base of data to work with for this project, the aim was to recruit a total 500 survey participants from the most desired diverse suburbs in Sydney, Melbourne and Brisbane.

3.2.4.1 Recruitment

The recruitment and sampling of survey participants as well as the collection of the data, have been undertaken by the survey sampling company Survey Sampling International (SSI). Before launching the survey, I have provided SSI with a postcode list of the 16 most diverse and desired postal areas in each of Sydney, Melbourne and Brisbane. Through a quota procedure of the selected suburbs, SSI ensured that the data gathered constituted a representative sample of the respective population. To avoid self-selection bias, specific project details were not generally included in the invitation. Rather, participants who had signed up with SSI are invited to "take a survey". The details of the survey were only then later disclosed to those who had elected to "take the survey" in the online system. SSI launched the survey on 31 August 2017 and closed it two weeks later on 14 September 2017.

3.2.4.2 Recruitment Area

Survey participants have been recruited from the 16 postal areas in each of Sydney, Melbourne and Brisbane. Table 3.6 outlines the 16 postal areas and suburbs and the number of survey participants that were recruited from each area.

Table 3.6. Survey Participant Recruitment Areas

Sydney		
Suburb(s)	**Postal Area**	**Survey Participants**
St Peters, Tempe, Sydenham	2044	0
Eastlakes, Rosebery	2018	8
Marrickville	2204	17
Wolli Creek, Arncliffe, Turrella	2205	3
Kogarah, Kogarah Bay, Monterey, Ramsgate, Ramsgate Beach, Beverley Park	2217	18
Canterbury, Ashbury, Hurlstone Park	2193	5
Carlton, Allawah	2218	5
Mascot	2020	7
Dulwich Hill	2203	10
Campsie	2194	5
Ashfield	2131	14
Sans Souci, Dolls Point, Sandringham	2219	1
Maroubra, Pagewood, Lurline Bay, Maroubra Junction	2035	12
Little Bay, Chifley, Malabar, Hillsdale, La Perouse, Little Bay, Matraville, Eastgardens, Phillip Bay, Port Botany	2036	24
Croydon	2132	8
Strathfield	2135	5
	Total	142
Melbourne		
Preston, Preston West, Preston South, Regent West	3072	13
Chadstone	3148	4
Coburg, Coburg North	3058	24
Oakleigh, Oakleigh East, Hughesdale, Huntingdale	3166	18
Doncaster	3108	12
Burwood	3125	11
Ascot Vale, Travancore, Maribyrnong	3032	14
Seddon, Footscray	3011	12
Burwood East	3151	9
Box Hill, Box Hill South	3128	9
Moorabbin	3189	3
Thornbury	3071	11
Oakleigh South	3167	8
Forrest Hill, Nunawading	3131	18
Brunswick West	3055	5
Bayswater, Bayswater North	3153	14
	Total	185
Brisbane		
Coopers Plains, Archerfield	4108	6

Sunnybank, Sunnybank Hills, MacGregor, Robertson	4109	24
Chermside, Chermside West, Chermside South	4032	8
Newport, Redcliffe, Scarborough	4020	18
Wishart, Mansfield, Mount Gravatt, Mount Gravatt East, Upper Mount Gravatt	4122	27
Point Lookout, Amity, Dunwich, Amity Point, Point Lookout, Stradbroke Island, North Stradbroke Island	4183	1
Aspley, Geebung, Boondall, Zillmere, Carseldine	4034	24
Salisbury	4107	4
Northgate	4013	4
Moorooka, Tennyson, Yeerongpilly	4105	10
West End, Southbank, Highgate Hill, South Brisbane	4101	16
Buranda, Dutton Park, Woolloongabba	4102	1
Yeronga	4104	8
Murarrie	4172	3
Nundah, Toombul, Wavell Heights	4012	22
Annerley, Fairfield	4103	10
	Total:	186
	TOTAL OVERALL	513

3.2.4.3 Characteristics

In total, 513 people completed the survey. Table 3.7 presents the demographic profile of the survey participants. Of these, almost equally as many were male (247) and female (265). All participants were over the age of 18[13]. All seven age groups (in 10 year increments) were represented almost equally, with no group making up more than 20% of the total. Regarding the ethnic origin of the participants, the majority reported an Anglo-Australian background (47.61%), followed by European (22.98%) and Asian (18.57%). Most survey participants exclusively spoke English at home (75.48%). All other languages were spoken in less than 6% of the participants' homes, the most common being Cantonese (5.89%) and Mandarin (3.99%). Asked about their religious beliefs, almost half of the participants reported being Christians (45.61%), followed by those who said that they don't practice any religion (38.99%). All other religions were represented in smaller proportions, with Buddhism the biggest group (5.85%). With regards to the tenure status of the respondents, the majority were owners

[13] Only individuals above the age of 18 could participate in this research. This was based on the assumption that children and young people under the age of 18 don't make informed decisions yet on where they live, in this case in which neighbourhood. It is further assumed that people below the age of 18 are generally not able to buy or rent housing. However, this is essential in determining the value residents see in diverse neighbourhoods.

(57.89%) and approximately a third were renters (36.84%). The other participants (5.26%) were living in some other arrangement. Inquiring about the highest education level of the participants, 153 (29.82%) had acquired an undergraduate degree, 147 (28.65%) a diploma or certificate, 85 (16.75%) had finished high school, and 76 (14.81%) completed a postgraduate degree. Asked about their employment status, almost half of the participants (48.18%) reported being employed (working for someone else), followed by retirees (19.50%), self-employed (7.84%) and unemployed (9.18%) people and students (7.07%). Looking at the distribution of occupations, most people work as professionals (25.93%), clerical and administrative workers (16.18%), and managers (12.87%). Noticeable is the high amount of participants who have ticked 'other' here, which includes retirees, students and occupations that were not covered in the list, such as artist or volunteer. Looking at the income distribution of the participants, all income groups are represented evenly, with no single group making up more than 14%.

Table 3.7. Survey Participant Characteristics

GENDER		
Male	247	48.15%
Female	265	51.66%
Other	1	0.19%
AGE		
18-25 years	69	13.45%
26-35 years	77	15.01%
36-45 years	93	18.13%
46-55 years	87	16.96%
56-65 years	98	19.10%
66-75 years	70	13.65%
Over 76 years	19	3.70%
ETHNICITY		
African	6	1.10%
Anglo Australian	259	47.61%
Indigenous Australian (i.e., Aboriginal, Torres Strait Islander)	6	1.10%
European	125	22.98%
Asian	101	18.57%
Latin, Central, and South American	5	0.92%
North American	2	0.37%
Middle Eastern	9	1.65%
Pacific Islander	3	0.55%
Other	28	5.15%
LANGUAGE SPOKEN AT HOME		

English only	397	75.48%
Italian	9	1.71%
Greek	13	2.47%
Cantonese	31	5.89%
Arabic	5	0.95%
Mandarin	21	3.99%
Vietnamese	3	0.57%
Other	47	8.94%
RELIGION		
Buddhism	30	5.85%
Christianity	234	45.61%
Hinduism	12	2.34%
Islam	5	0.97%
Judaism	7	1.36%
No Religion	200	38.99%
Other Religion	25	4.87%
TENURE STATUS		
Rent	189	36.84%
Own	297	57.89%
Some other arrangement	27	5.26%
HIGHEST DEGREE		
Did not finish high school	49	9.55%
High school (year 12 or equivalent)	85	16.57%
Diploma or certificate	147	28.65%
Undergraduate degree	153	29.82%
Postgraduate degree	76	14.81%
Other	3	0.58%
EMPLOYMENT STATUS		
Self-employed	41	7.84%
Employed (working for someone else)	252	48.18%
Unemployed	48	9.18%
Student	37	7.07%
Retired	102	19.50%
Unable to work	25	4.78%
Other	18	3.44%
OCCUPATION		
Manager	66	12.87%
Professional	133	25.93%
Technician and Trades Worker	19	3.70%
Community and Personal Service Worker	17	3.31%
Clerical and Administrative Worker	83	16.18%
Sales Worker	32	6.24%
Machinery Operator and Driver	8	1.56%
Labourer	19	3.70%

Other	136	26.51%
INCOME		
$2,000 or more per week ($104,000 or more per year)	64	12.48%
$1,500 - $1,999 per week ($78,000 - $103,999 per year)	62	12.09%
$1,250 - $1,499 per week ($65,000 - $77,999 per year)	49	9.55%
$1,000 - $1,249 per week ($52,000 - $64,999 per year)	63	12.28%
$800 - $999 per week ($41,600 - $51,999 per year)	49	9.55%
$600 - $799 per week ($31,200 - $41,599 per year)	53	10.33%
$400 - $599 per week ($20,800 - $31,199 per year)	56	10.92%
$300 - $399 per week ($15,600 - $20,799 per year)	38	7.41%
$200 - $299 per week ($10,400 - $15,599 per year)	25	4.87%
$1 - $199 per week ($1 - $10,399 per year)	14	2.73%
Nil income	35	6.82%
Negative income	5	0.97%

3.2.5 Conclusion

To explore if and how neighbourhood diversity is valued by the population, an online survey has been created for this thesis consisting of 29 questions. The questionnaire has been completed by 513 individuals, who have been recruited from the most desired and diverse suburbs in Sydney, Brisbane and Australia. The identification of the recruitment area itself has already yielded some relevant findings regarding the characteristics and location of the most diverse and the most attractive diverse suburbs – two characteristics that don't necessarily overlap in Australian cities, unlike the suggestions of Richard Florida's (2002) creative city and class theory.

Now, that the methods used in this thesis to empirically investigate the research question have been established, the next two chapters will present the findings. Chapter 4 will provide insight into the role diversity currently plays in urban renewal by examining Melbourne Docklands as a case study – including background information and interviews with key informants from the public sector. Chapter 5 then seeks to more generally explore whether there is empirical evidence that diversity is valued by residents and what demographic characteristics stand out among people who value and seek diversity

4 HOW DIVERSITY IS VALUED IN URBAN RENEWAL: A CASE STUDY

In this section, I look at the Docklands urban renewal project in Melbourne (Victoria), focusing on the question of *why and how diversity was valued*. As discussed in the methods chapter (see Chapter 3.1.2), the case study entails looking at scholarly literature, policy documents and websites as well as seeking out information from key stakeholders with targeted questions around the value and the benefits as well as challenges they see in promoting diversity within an urban renewal project.

In this chapter, I begin by discussing Docklands historic development until today, its public stakeholders and the criticism Docklands has been facing as well as the population characteristics of Docklands residents. The second part of this chapter presents, analyses and discusses crucial statements from the interviews with key informants. The chapter will concludes with a summary of the lessons that can be learnt from Docklands and the role diversity has played in this renewal project.

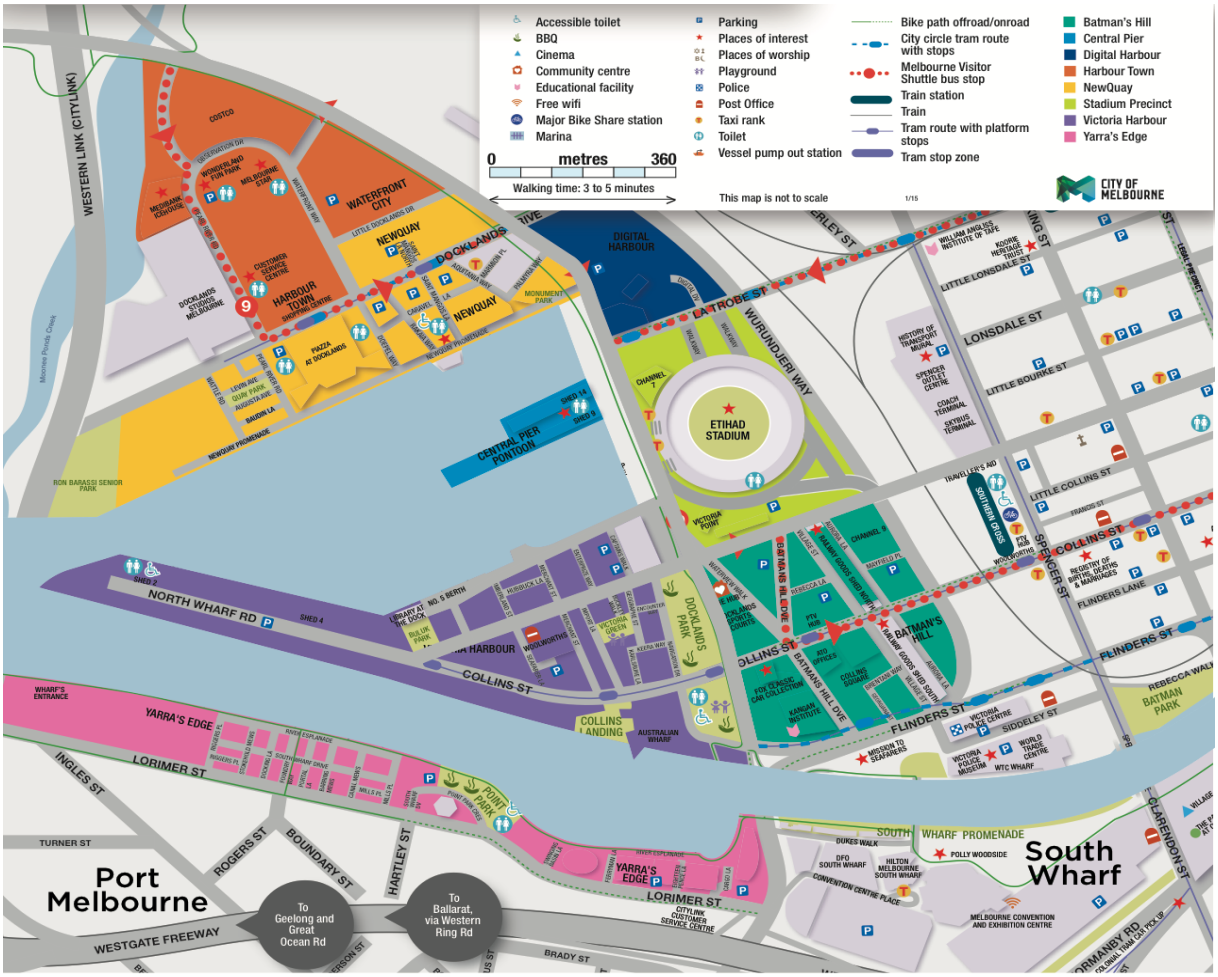
4.1 Melbourne Docklands

Docklands in Melbourne is Australia's largest urban development project covering a 190-hectare area adjacent to Melbourne's CBD, including 44 hectares of water (see Figure 4.1). In the past, this land was used originally by different Aboriginal communities as a hunting and meeting place before becoming an important regional port from 1880 for the next hundred years. Due to modernisations in the shipping industry, which required different storage spaces, the docklands became an abandoned ghostland in the 1980s. The land itself was owned by the public (Dovey & Sandercock 2002). Since then, plans for redevelopment were discussed, and then formally decided in 1995 by the Victorian government. So far, Docklands story is similar to other waterfront projects that have been identified for major renewal aiming to enhance the economic profile of the city (Dovey & Sandercock 2002). To realise this, the primary focus was to attract investment and encourage construction at a fast pace – the focus lay on development over planning (Wood 2009). The newly-founded Docklands Authority promoted a market-driven approach with the aim 'to secure appropriate, commercially viable development, which will be *dictated* by market forces' (Docklands Authority 1994, p. i). The building process started in 1997 with the construction of a stadium and adjacent infrastructure and the first residential buildings were erected in 2000. Projections estimate that by 2036 Docklands will house 17,000 people in 9,000 households, attract 20 million visitors each year and provide workplaces for 40,000 people (City of Melbourne 2013).

Today, Docklands is a major office and residential precinct with attractions such as the Etihad

Stadium, the District Docklands, a shopping centre, and the Melbourne Star Observation Wheel as well as a major public transport station, the Southern Cross Station, and a library. The newly established business district houses national headquarters of high-profile companies such as ANZ, NAB, Medibank Private and Myer. According to the 2016 Census of Land Use and Employment (CLUE 2016), within the Docklands area 58,220 jobs have been counted, mostly in the finance and insurance sector, business services and public administration and safety. Initiatives targeted for the local community and visitors include a community centre, public library, recreational areas, a community garden, sport facilities and a number of public artworks. Docklands has adopted the Percent for Art Policy, allocating 'a one percent contribution towards integrated public art from each developer' (Docklands Coordination Committee Report 2009). This policy, which also has been adopted by the Western Australian government, demonstrates that there is a way to achieve social outcomes in the construction sector (McCabe, Parker & Brown 2011).

Figure 4.1. Melbourne Docklands Map



Source: City of Melbourne

4.2 Criticism

Over the years, Docklands has been written about critically in academia and the media, especially with regards to the lack of involvement of the public (Dovey & Sandercock 2002), liveability (Majoor 2015), affordability and social outcomes (Shaw 2013; 2014) – criticism that other large-scale urban renewal projects have been facing as well.

Dovey and Sandercock (2002) question 'where the public interest lies when city or state governments seek to use the reconstruction of the urban environment as a catalyst for economic regeneration'. They describe a lack of public access and involvement in the early negotiation stages, which took place in secrecy. Whilst the promise was that the Docklands redevelopment would be privately funded (including the funding of the planned infrastructure) in a market-driven approach and would come at no cost to the public. Dovey and Sandercock (2002, p. 97) write that 'the control of development was largely ceded to private interests on the promise of no cost to the public purse. In reality the government funded the project while ceding control'.

The authors conclude that if a development is fully driven by market-forces and the city government is weak, as was the case in Docklands, then pre-set requirements – such as infrastructure funding – are not binding but are flexible and negotiable (Dovey & Sandercock 2002). In the case of Docklands, this has led to the sole concentration on economic and not on social outcomes – at least in these early stages.

Kate Shaw (2013) argues that the focus on economic sustainability is based on a neo-liberal framework dominating political and economic discourse – especially until 2010. She has identified a number of different visions and narratives in the process of the development of the Docklands waterfront project, each 'intended to some degree to rescue the development from the failure of the preceding one' (Shaw 2013, 2158):

- 1990-99: Economic Sustainability
- 2000-05: Environmental and Social Sustainability
- 2005-09: The Creative City
- From 2010: Social and Cultural Sustainability

This creative city narrative is what makes Docklands a relevant case study on the value of diversity. However, Shaw argues that despite this vision to attract the diversity promoted in Florida's approach, none of Florida's concepts – i.e. diversity, authenticity and quality of place – were actually featured in Docklands (2013, p. 2169). Nevertheless, Shaw sees a shift towards more social goals, when Docklands became part of the City of Melbourne in 2007 and this local council became the official planning authority for the Docklands community in the following years.

4.3 Public Stakeholders

The two main stakeholders from the public sector involved in the development process of Docklands are Development Victoria (formerly VicUrban and Places Victoria), on the state level, and the City of Melbourne, on the local level.

Development Victoria (DV), the state government's property development and civic projects agency, is managing the development of Docklands and has created the master plan for this project in consultancy with various stakeholders. One of the roles of the state agency in selling government owned land to developers is to 'promote housing affordability and diversity and best practice in urban and community design' (Places Victoria & City of Melbourne, p. 12).

In 2017, the Victorian government (2017, p. 9) published the Value Creation and Capturing Framework, which states that 'a core objective of all government activities and investments is to create public value'. This shows the government's commitment to Moore's public value creation approach, the core of which the government defines as follows:

> For the purposes of this Framework, value creation refers to delivering enhanced public value, in terms of economic, social and environmental outcomes. This enhancement of public value is above and beyond what would ordinarily be achieved as a direct consequence of the relevant government investment.

Stressed here is a focus on social as well as economic outcomes, benefitting the public. How to promote these in a market-driven redevelopment such as Docklands is unclear. However, talking to key informants from Development Victoria might provide insight into the extent that this has been achieved so far.

In 2007, Docklands became part of the City of Melbourne. This marked the transition from a focus on development and building in the first decade towards a concentration on community building in Docklands (Places Victoria & City of Melbourne, p. 5). From 2010 onwards, it became the city council's responsibility to oversee the planning for the developed areas in Docklands and to deliver services and programs to the local community. This marks a shift towards more community-oriented and inclusive initiatives in Docklands, as the City of Melbourne has formal commitments to various social and cultural aspects of urban living:

> It has a homelessness framework and a social and affordable housing strategy, an urban design strategy and a reasonable record on the use and care of the city centre's heritage and laneways (Shaw 2013, 2172).

To ensure community input in decision-making processes concerning Docklands, the City of Melbourne facilitates a bi-monthly community forum open to local residents, businesses and workers.

4.3.1 Community and Place Plan

With a substantial part of the buildings completed and a growing local community, Development Victoria (Places Victoria in 2012) and the City of Melbourne together in consultation with the community developed the Docklands Community and Place Plan (2012). The plan was officially launched on 15 July 2012 by the Minister for Planning Matthew Guy and Lord Mayor Robert Doyle and took on the function of 'a key reference document' (Places Victoria & City of Melbourne 2012, p. 12) for future planning of the area. The shared vision for Docklands outlined in this plan is:

> In 2020, Melbourne Docklands will be an integral part of a creative, well-connected 21st century city. It will continue to be a key driver of Melbourne's economy and offer a unique urban waterfront, which reflects Melbourne's elegance, *diversity* and culture (Places Victoria & City of Melbourne 2012, p. 14, emphasis added).

This vision makes references both to the creative city concept and diversity, but it remains unclear what kind(s) of diversity the document is referring to.

One of the nine strategic directions outlined in the Community and Place Plan under the umbrella of 'Creating a 21st Century City' (ibid., p. 16) is to create a 'diverse residential community'. The description of this strategic direction reads:

> Home to an estimated 20,000 residents by 2025, Docklands will redefine inner-city living in Melbourne. By generating more housing options to accommodate a diverse range of households and incomes, Docklands will be accessible for people at all stages of life, creating a strong, harmonious and inclusive community (Places Victoria & City of Melbourne 2012, p. 44).

The forms of diversity specifically referred to here are household, income and age diversity. The two 'community priorities' to realise this goal mentioned in the document are:

1. Partner with developers to deliver diverse housing and tenure options in Docklands including housing for low-to-moderate income households and housing for families.
2. Partner to deliver affordable housing co-located with appropriate community facilities for specific target groups (ibid.).

The verb *to partner* here sounds like a rather collaborative vision and the enforcing power of council and state government is ambiguous. To develop a better understanding of the role and scope of these agencies, interviews were conducted with key informants from both public organisations, which are discussed later in this chapter.

The fact that the aim 'creating a diverse residential community' (Community and Place Plan 2012, p. 44) has made it into a strategic document, however, can be seen to reflect the willingness to promote the public interest and to create public value. The question is, therefore, what importance has been assigned to this public value, and how has it guided public and private stakeholders' activities and procedures?

4.4 Population

An analysis of the demographic characteristics of those currently living in Docklands sheds light on the type of person that seeks – and is able to afford – to live in a prestigious central urban renewal area. Table 4.1 presents the demographic profile of Dockland's population.

Using the 2016 Australian Census of Population and Housing data, 10,964 people were living in Docklands in August 2016. In total, 2,556 families were counted in Docklands, with an average of 0.2 children. This is much lower than the average for Greater Melbourne, which is 0.8 children per family. This shows that Docklands is not primarily a living environment for families with children. Also, closer consideration of the different age groups reveals that most under-aged children are between 0-4 years, which means pre-school age. Looking at the presence and distribution of the other age groups at Docklands shows that all age groups are represented below the Australian average, except for the age groups 20 to 39 years, reflecting the high population of young professionals in the area. As mentioned above, Docklands has attracted a lot of businesses and thus jobs into the area, making it an appealing place of residence for the local workforce. The most common occupations in Docklands are professionals (40.5% of employed people over 15) and managers (19.4%). Related, almost 50% of the local population have a bachelor's degree or above.

The average weekly income per household per week is $1,868, which is $326 higher than the average for Greater Melbourne. Looking at how people go to work shows that most people took the tram (27.8%), walked (24.3%) or used the car (22.2%). This suggests that most people live in proximity to their workplace. It also shows that compared to Greater Melbourne and Australia, where only around 3% could walk to work but over 61% used a car, the pressure on roads is reduced and the commute to work more environmentally sustainable. The tenure situation in Docklands shows that most people rent their apartments (61%), whilst 21.5% own their place with a mortgage and 13.3% outright.

Consideration of the ancestry of the residents shows that the largest part has a Chinese (21%) background, followed by English (12.2%), Indian (11.15) and Australian (8.3%). Over 66% have stated

that both their parents were born overseas, indicating a high presence of people with a migrant background.

The Simpson's Diversity Index (see Chapter 3.2.2.5) for Docklands is 0.615, which places the suburb right in the middle between the most and the least diverse postal areas in Greater Melbourne (Rank 152 of 294).

Table 4.1. Demographic Profile of Docklands' Residents

Category	**Docklands**	**Greater Melbourne**
People	10,964	4,485,211
Families	2,556	1,161,643
Average child per family		
For families with children	1.3	1.8
For all families	0.2	0.8
Number of private dwellings	6,499	1,832,043
Median weekly household income	$1,868	$1,542
Median weekly rent	$501	$350
Median age	30 years	36 years
DETAILED DOCKLANDS' DEMOGRAPHIC		
Category	**Frequency**	**%**
AGE		
0-4 years	557	5.1
5-9 years	146	1.3
10-14 years	85	0.8
15-19 years	442	4.0
20-24 years	1,570	14.3
25-29 years	2,366	21.6
30-34 years	1,791	16.3
35-39 years	950	8.7
40-44 years	586	5.3
45-49 years	500	4.6
50-54 years	567	5.2
55-59 years	482	4.4
60-64 years	348	3.2
65-69 years	306	2.8
70-74 years	144	1.3
75-79 years	71	0.6
80-84 years	34	0.3
85 years and over	18	0.2
OCCUPATION (top responses)		
Professionals	2,388	40.5
Managers	1,141	19.4
Clerical and Administrative Workers	684	11.6

Sales Workers	467	7.9
Community and Personal Service Workers	436	7.4
Technicians and Trades Workers	372	6.3
TRAVEL TO WORK		
Tram	1,636	27.8
Walked only	1,430	24.3
Car, as driver	1,306	22.2
Worked at home	257	4.4
Train	237	4.0
LEVEL OF HIGHEST EDUCATION (top responses)		
Bachelor Degree level and above	4,774	46.9
Year 12	1,803	17.7
Advanced Diploma and Diploma level	856	8.4
ANCESTRY (top responses)		
Chinese	2,760	21.5
English	1,564	12.2
Indian	1,428	11.1
Australian	1,070	8.3
Irish	537	4.2
COUNTRY OF BIRTH OF PARENTS		
Both parents born overseas	7,254	66.1
Father only born overseas	295	2.7
Mother only born overseas	247	2.3
Both parents born in Australia	1,724	15.7
TENURE		
Owned outright	618	13.3
Owned with a mortgage	994	21.3
Rented	2,913	62.5

4.5 Insights from interviewees

As discussed in Chapter 3.1.4, five interviews with key informants from the public sector have been conducted as part of this case study. Interviewees were asked the following questions:

1. If you hear the term diversity within urban affairs/planning what forms of diversity are you thinking about? (e.g. population diversity, cultural or social diversity, mixed-use)
2. Which forms of diversity are most prevalent in your area of work and why?
3. Has diversity played a role in the Docklands urban renewal project and why?
4. Do you see any economic value to diversity and, if so, where?

The answers to those questions will be presented and analysed in the following section.

4.5.1 Understanding of Diversity

The following two questions were aimed to clarify what people from the public sector associate with the term diversity and how it is most commonly used within their work context:

- **Question 3:** If you hear the term diversity what forms of diversity are you thinking about (e.g. cultural or social diversity, mixed-use)?
- **Question 4:** Which forms of diversity are most prevalent in your area of work and why?

The answers show that diversity was understood in a number of ways by the key planning stakeholders. One key informant (KI) offers a broad understanding of diversity within the context of urban planning and renewal:

> *In terms of urban regeneration, diversity applies to everything from built form through land use to all elements of the demographics of a defined place/area. Successful urban development provides a range of uses and experiences for a range of people and interests. (KI4)*

The dimensions of diversity the key informant is referring to in this statement are demographic, spatial and physical diversity. Also, a normative point is being made here about good/successful urban development that should demonstrate versatility. The word *range* here could also be substituted by *diversity*: *Successful urban development provides a diversity of uses and experiences for a diversity of people and interests.* So in that sense, good urban development is characterised by embracing diversity and offering different products (e.g. work, living, leisure) to diverse groups of users simultaneously.

One of the key informants talks more specifically about the usage of diversity in the context of Docklands:

> *The way I hear it get used most in interactions with people around Docklands, so with other government bodies and developers, it often refers to* ***mixed use*** *and* ***population diversity****. […] I think in many shapes and forms we end up talking about diversity a lot. Particularly product mix* [and] *mixed use. And obviously, we talk about the population, what people make up in population. The word diversity itself isn't always used. But we do talk about it a lot in that context.* […]
>
> *We have a relatively diverse population living in Docklands, from a cultural point of view, a lot of internationals or people who were born overseas living in the Dockland. And then obviously we do talk about it in other senses the age groups and the types of households – if they live alone, two-person households or family what age group are they in. In Docklands we are quite skewed towards that working age of 25-44 and lone and 2-person households. (KI5)*

Again, mixed-use and population diversity are mentioned as the most prevalent types of diversity within Docklands, as well as product mix, which refers to the different types and sizes of apartments

available. The forms of population diversity that are specifically relevant in Docklands, according to the key informants, are cultural diversity as well as the diversity of age and households. Comparing this narrow focus with the concept super-diversity, as discussed in Section 2.1.2, suggests that the complexity of super-diversity does not seem to be prevalent amongst the public stakeholders involved in urban renewal. Whilst certain forms of diversity are emphasised by the informants (e.g. income diversity through affordable housing), others are not mentioned (e.g. sexuality or ability/disability), and seem to play a subordinate role in the understanding with regards to the kind of residential diversity envisioned by public stakeholders in the Docklands project.

The interviewee then also points out that these different types of diversities are interconnected:

> *When we are talking about product mix, it's often used, particularly by developers, to talk about a kind of reference diversity and so therefore a wider product mix is going to create a more diverse population. (KI5)*

The interviewee here makes the assumption that tenure mix leads to population diversity. Whilst agreeing that without product mix certain forms of population diversity can't be established – families, for instance, need more space and bedrooms than single households – it has been evident from studies that the availability of diverse housing is a necessary but not a sufficient condition for population diversity (Groenhart 2013, Talen et al. 2015, Paulsen 2015). As pointed out in Section 2.1.3.2, physical diversity only translates into population diversity if encouraged by concrete policies and incentives. For instance, given, that most residents in Docklands rent their living place (61%), housing diversity in a high-end area such as Docklands could be encouraged by a rental subsidy. As pointed out in Section 2.1.3.2, there are examples elsewhere of how low-income renters can be supported in more desirable areas offering quality housing, such as the Housing Choice Voucher Program in the US. This program is enabling eligible persons and families to find suitable housing in the neighbourhood of their choice, preferably in low-poverty areas (Walter & Wang 2016). This suggests that if it is the aim to create residential diversity, then government stakeholders have to integrate social and physical dimensions of planning.

Asking more specifically about the use of diversity within the interviewees' area of work showed that it varies within organisations and is dependent on the respective job/position, as the following two examples demonstrate:

> *Diversity* [forms are most relevant in my work area] *relating to the type and nature of businesses that exist through the municipality as well as dealings with Melbourne's cultural precinct areas. (KI1)*

> *I suppose within engagement practices we often talk about diversity in terms of the range of different community members. So that could be more social, cultural diversity. We are […]*

trying to ensure that we're getting a range of people along to the engagement activities that we do. (KI3)

These quotations illustrate that within the business department the diversity of businesses is of most interest, whereas in community engagement the aim is to get a diverse range of community members to participate in consultation projects.

One of the interviewees thus points out that:

Anybody who is using it [the term diversity]*, you need to confirm with them in what context and what sense they are using it. (KI5)*

This again shows that the term diversity can be used in very specific (e.g. the diversity of businesses) or very broad (e.g. population diversity) ways and that it can refer to a number of different attributes even within the same organisation or project. It is thus not surprising that more specific terms might be used (e.g. product mix) instead of talking about diversity in general, which can lead to confusion among different stakeholders. As used by these key informants in different planning areas within the public sector, diversity is a very ambiguous concept, and it is important to clearly define its use in different contexts.

At this point, it is important to mention that I am aware of the fact that the different professional and disciplinary backgrounds of the informants inform their responses. A factor that would be interesting to investigate further, however, it is beyond the scope of this thesis.

4.5.2 The Role of Diversity in Docklands

With the next question, I wanted to investigate the role that diversity has played within the Docklands urban renewal project. The strategic documents for Docklands, especially the Community and Place Plan, demonstrates the public importance ascribed to diversity. However, I was interested in the stakeholders' assessment of the role and relevance of diversity, which might differ from the vision on paper.

- **Question 5**: Has diversity played a role in the Docklands urban renewal project and why?

One of the key informants points out the divergence between plan and reality:

As a plan on a page, diversity was an objective of Docklands. Being able to demonstrate diversity was both a measurement of success, and an ingredient to achieve success. In reality however, we have struggled to achieve diversity as market forces have become the prevalent and dominant driver in Docklands. We have not been able to secure the levels of social and affordable housing as we would have liked. (KI4)

This statement suggests that even though diversity – ascertained through the presence of social and affordable housing[14] – was an objective measurement of success in the Docklands renewal, there were no mechanisms in place to protect it from market forces. The interviewee also makes the assumption that market forces do not produce or favour diversity and, thus, that they would have to be regulated in order for diversity to be established. However, Rowlands, Murie and Tice (2006) in their study of seven mixed tenure developments in the UK, analysed whether tenure mix negatively impacts property values, one of the main concerns of investors. They could not find any evidence for this. Furthermore, talking to developers showed that they 'regard mixed tenure as the norm in urban areas because of planning policy' and that they 'effectively manage the risk associated with mixed tenure development' (Rowlands, Murie & Tice 2006, p. 71). This is important, as there is reluctance in the Australian government to implement any regulations on social mixing as they are seen to hinder investment in Australia. Shaw (2014, p. 11) argues that this is due to the neo-liberal view that the 'private sector should not be burdened with taxes and levies and stamp duties'. However, initiatives, such as the Percent for Art Policy in Docklands, specifying that one percent of the development cost has to be contributed to public art, shows that claiming contributions from developers benefitting the public has been done. The question then is why can't similar schemes be implemented to support more housing options for low and middle-income persons and families?

When asked specifically about the Community and Place Plan that names diversity as one of its nine strategic goals, one of the key informants points out the rather aspirational character of this document:

> *Yeah, the CaPP [*Community and Place Plan] *is a really interesting one, because it is a mixture between very high level aspirational scopes and that was created in collaboration with the community very much so. So it's really great that this piece exists. So there are some very high level aspirations that obviously we can, everybody involved, City of Melbourne, DV* [Development Victoria] *and the community and the developers, can aspire to but they are sort of not tangible. And then the other half of the plan is very tangible, "we want a park here", "we want this bit of road there". So it is quite a mix. And we have managed to track obviously really well on the very tangible items. (KI5)*

This quote highlights that input from the community into the strategic outlook for Docklands was welcomed and integrated in the Community and Place Plan. However, the request for a diverse residential community has been evaluated as 'too aspirational' compared to other more concrete

[14] The Affordable Housing Working Group (2017, p.1), stablished by the Australian government, provides the following definition of affordable housing: 'Affordable housing is that which reduces or eliminates housing stress for low income and disadvantaged families and individuals in order to assist them with meeting other essential basic needs on a sustainable basis, whilst balancing the need for housing to be of a minimum appropriate standard and accessible to employment and services'.

demands. The problem that is raised here is that of tangibility, suggesting that the strategic vision of creating a diverse residential population within Docklands lacks clarity and tangible measures. This implies that the more tangible the parameters are, the easier it is to implement them. To ensure that community values and suggestions are translated into a more realisable form could thus be a goal for future community engagement projects.

However, this also shows that whilst community input was welcomed and encouraged in Docklands, no mechanisms are in place to enforce it. In this sense, this document, labelled a 'key reference document' (Places Victoria & City of Melbourne 2012, p. 9), proves to be ineffective in realising what the public values. The lack of policies to enforce more inclusive housing options is mentioned in another interview, when asked more specifically about socio-economic diversity in Docklands and the issue of affordable housing:

> *From a policy perspective, the current state government and brief and previous different state governments have really struggled to capture in policy what that means* [the increasing problem of housing affordability in Australia]*. We are still not even there. So even having the policy and mechanisms to get private developers to consider affordable housing are still lacking. I think we have come a long way and we are probably going to see some changes because it is such a pressing issue in the state and across Australia at the moment but, yes, I guess kind of in summary from where we are standing today, you could argue that Docklands doesn't have enough* [affordable housing]. *(KI5)*

So again, offering more affordable housing options within an urban renewal project such as Docklands is only seen to be implementable through concrete policies that force developers to adhere to certain guidelines.

As to why it is difficult to implement diversity at this stage, one of the key informants points out the historic context in which the Docklands master plan was developed:

> *I think what's difficult about the Docklands project is – the Docklands Authority was created in the very early 90s, to oversee the regeneration of the Docklands by the government at the time and obviously that has been going on 25 plus years. And at that time, obviously, we were going out to the market and engaging developers in master planning activities and they were committing to buying the land and building certain things. At that time Victoria's economy wasn't very strong and the government's entire purpose was to stimulate economic growth. To become a massive attraction for the kind of jobs we were losing out to Sydney.* […] *But what has obviously happened in that intervening time period is that the stresses our city, our community, is facing have changed and in Australia we know that a big one of those is* ***affordability.*** *So, Docklands as a development has struggled and been ineffective in responding to those, because we had our master plan set and signed in the 90s or very early thousands. The contractual agreements are set, developers are going about their way, it's very hard – not impossible – to go and retrospectively change those. (KI5)*

The key informant here points out the challenge that arises due to the longevity of a project that will eventually span over 30 years before it is considered completed. When the master plan was

developed, the key issue was to shift Melbourne's economic focus, aiming at the tertiary and quaternary industries. This aligns with the neoliberal, economic-driven narrative that Shaw (2013) identified in the early stages of the Docklands project. This shows that whilst urban renewal projects offer the chance to create something new and in-line with current trends as well as addressing current issues, they are also confronted by changing circumstances and priorities over their construction period, which often spans over several decades. Whilst the major goal in the planning phase was to enhance Melbourne's economic competitiveness a shift of focus on social outcomes is seen as necessary today, i.e. addressing the housing crisis. So the question with a long-term urban renewal project, then, is how can master plans stay flexible in order to accommodate the changing *Zeitgeist* and to stay responsive to current urban best practices and challenges?

Contradicting the views that only policy regulations can achieve diversity in Docklands, one of the interviewees points out the fact that diversity has to grow organically:

> *Diversity cannot be created artificially and overnight. […] Docklands is only 17 years old. I'm confident that in a further 25 years, […], that with the building blocks in place, Docklands will be a successful, diverse community and place. (KI4)*

However, what these building blocks are and how this transformation into a more diverse place is going to look like is left open.

One aspect that almost all of the interviewees have mentioned in regards to fostering diversity is the recent approval to build a primary school in Docklands:

> *So that's kind of been a major issue for the Docklands community, the school in the area. Which is tying into diversity. It is very hard for a family with young children to stay in the area. So there are families with young children but they have to travel quite a distance to go to school in adjoining areas. (KI3)*

The key informant here points out how the school is a means to create more diversity in the area, as it is a fundamental service for families with young children. As the demographic profile of Docklands showed, young children in pre-school age make up the majority of children in Docklands and that older, school-aged children are underrepresented compared to the rest of Victoria and Australia. Offering a school service in the area is thus a means to offer these families close-by access to education as well as the potential to attract and retain families with school-aged children into the area.

This shows that in addition to delivering the physical space to accommodate a diverse residential community, the provision of social services plays an important role in the creation of a diverse community as well. This is thus a way for the public sector to promote diversity independently from the private sector, simultaneously resulting in the creation of new jobs. It also demonstrates again the

potential usefulness for government stakeholders of integrating physical and social dimensions of planning to 'nurture' diversity.

With regards to the role that population diversity has played in Docklands, the interviews have shown that, on paper, diversity has been assigned an integral role but that there are no mechanisms – i.e. policies – in place to protect these aspirations from the profit-driven market. In that sense, diversity seems to primarily be a rhetorical strategy, similar to the creative city narrative in the earlier stages of the development, that puts the project up to date with current planning discourses and practices but fails to deliver on its promises. One might argue, as one interviewee has, that the master plan was developed in a different era and was driven by economic interests of the time. However, Shaw (2013) shows that diversity and social mix as visions for Docklands are not novel ideas. She argues that in the early stages of Docklands, the Labor government 'developed a relatively modest narrative for the docks based on the opportunity for incremental growth, *housing affordability* and *social diversity* in the context of a growing population' (Shaw 2013, p. 2162, emphasis added). Also, reasoning that plans through contracts have been set in stone in the past and that there is little scope for the authorities to act today, cannot solely account for the current absence of affordable housing in Docklands. As noted above, there are initiatives that demonstrate that promoting diversity and affordable housing in hindsight is possible (Walter & Wang 2016), an option that has not been mentioned by the key informants. However, the planning of a primary school for Docklands in the coming years, as a more indirect way of enabling diversity, can be seen as an attempt by the public sector stakeholders to promote population diversity. This indicates a growing commitment by the public sector to creating services that attract different demographics into the area, in this case families with young children.

Ultimately, the role diversity – especially in regards to affordable housing – has played in Docklands is not a very strong one, despite the fact that it is seen as a value by the public and public sector stakeholders.

4.5.3 The Economic Value of Diversity

One of the objectives of this thesis is to investigate the potential economic value of a diverse population in urban renewal, in order to make investing in diversity more attractive to treasuries and private sector investors. One interview question thus asked:

- **Question 6:** Do you see any economic value to diversity and if so, where?

The public stakeholders in Docklands made a range of proposals for how diversity could be attributed an economic or monetary value. One key informant gave the following response:

> *Absolutely. On the superficial, diversity makes a place interesting. An interesting place is somewhere people visit, live, work, invest etc. For a "place" to function properly, it requires a range of service provisions across the socio-economic spectrum. It needs rubbish collection, it needs baristas, it needs child care. It needs white collar workers and people to do their dry cleaning. It needs students to work in bars at night while studying to be the next years intake at the white collar companies. (KI4)*

Whilst the interviewee is very positive about the economic value of diversity, they do not provide any specific measures but makes statements about the general value. Firstly, they point out, in-line with Jane Jacob and Florida's creative city discourse, that diversity makes a place interesting and attracts people and investment, thus economic growth. The causality of how diverse places promote economic growth by attracting the creative class, however, is unclear and not specified in Florida's approach (Marcuse 2003, Peck 2005). Secondly, the interviewee mentions the economic benefit deriving from job creation due to the demand for different services. Here, they are referring to trickle-down economic effects – implying that fostering economic growth in the short term will benefit the wider community in the long run – which are assumed to come with this kind of development. However, as discussed with regards to neighbourhood effects in Chapter 2.1.4.1, whilst such an argument might be plausible in theory, empirical evidence that these multiplying effects occur is needed. Thirdly, the key informant talks about the necessity of a diversity of services and thus the diversity of the workforce – rubbish collectors, baristas, child carers, white-collar workers, dry cleaners and bar tenders. Again, however, how the importance of having key workers live in the area of their workplace translates into economic measures (e.g. lost productivity, cost of commuting) is not mentioned.

Another interviewee links product mix and diversity to resilience and adaptability:

> *If we had a whole area with really only one bedroom apartments available, the area is not going to be very resilient to a population's demographic change. Which we are seeing. We are seeing a move towards more lone and smaller family households. So if we'd built everything as three or four bedroom, again, that's not a resilient and adaptable community. That area is going to suffer, because if for whatever reason people are going to move out. So there is that aspect. I think somewhat, unfortunately, social and cultural diversity, whilst it is very valued, it is so much harder to assess and proof and provide evidence. But I think, you know, it does ultimately come down to that conversation about resilience and adaptability. We are living in a time of very fast pace change, the more cultural and socio-economic diversity we have, the more attractive these communities are, the stronger they are. They have a better economy because they're more able to adapt to changes, and I guess, not get caught out in the cold. (KI5)*

The argument here is that areas that offer a mix of apartment products are hosting a diversity of people and are more resilient against demographic change and better equipped to changing

circumstances. The interviewee also points out the difficulty to put any economic measures on the value of social and cultural diversity but also links these to the enhanced attractiveness of a place.

In another interview, one key informant is convinced that there are economic benefits to population diversity but notes that these are not of relevance to her work area:

> *Yeah, so I suppose a broad range of benefits, including economic, if that makes sense. It hasn't really been the driver for our team, if that makes sense but we are aware that there are a broad range of benefits. I think that would be interesting. If maybe a school would have happened earlier if it was for being economic, around lost productivity and for families in terms of commuting times and other things. I am not sure if that particular angle was ever researched. It might be another way of building a case on evidence base. But I think it was more around the rights of families and the service distribution required. (KI3)*

The interviewee here is exploring the idea whether things could be implemented faster and more effectively – in this case the confirmation of a primary school – if based on economic arguments.

One of the interviewees also makes an interesting point regarding the measurability of diversity:

> *I think that the more you drill down into a particular definition of diversity, the easier it is* [to] *make an argument for economic value. (KI5)*

The suggestion here is to look at the different forms of diversity – e.g. age diversity or income diversity – individually, and identify the potential economic value that each produces compared to looking for the economic value of diversity in general. This way, numerous economic benefits might be detected and can be more easily adapted depending on the projects' targeted demographics.

Asking key informants about the economic benefit of diversity has shown that economic arguments have not been the primary driver of diversity in Docklands. Whilst all five interviewees agreed that there is economic benefit to diversity, none of them provided any concrete measures but rather non-tangible benefits, such as better resilience and adaptability to change or the enhancement of the attractiveness of a place. The latter claim is a reflection of a policy discourse influenced by Richard Florida's creative city theory that has shaped numerous urban strategies (Peck 2005), including for Docklands. The lack of, or inability to provide, tangible measures to support such claims regarding the economic benefit of diversity raises the question whether there would be more housing diversity in Docklands if an economic argument could be made for it? This would suggest that only economically viable agendas can be pushed within urban renewal projects, which is not surprising given the domination of market forces in the Docklands redevelopment.

4.6 Conclusion

The aim of looking at Docklands as a case study was to get insight into the role population diversity has played in a major urban renewal project. Docklands was selected based on the explicit commitment to diversity, as outlined in the Community and Place Plan, a key reference document. Talking to five key informants from the public sector, however, has shown that Docklands has not been able to deliver the housing diversity goals – especially with regards to affordable housing – envisioned by the public sector and the local community. The role diversity has played is thus limited, primarily being an idealistic narrative without consequence.

With regards to the public value concept discussed in Chapter 2.2.1, the Docklands case study reveals that the public sector's authoritative power in the area of urban renewal is restricted. Moore's strategic triangle is a helpful tool to explain the public value creation processes at play in Docklands and the limitations this creates. This case study shows that whilst the public value of diversity is recognised and supported within the public and political environment, the operational and administrational feasibility is limited. The public sector itself does not have the capacity to produce an environment that fosters diversity – as is the case in states with strong governments (Root 2001), an example here is Singapore (see i.e. Sim, Yu & Han 2003) – nor is it able to enforce more social outcomes within urban renewal – for example, by stipulating a quota of affordable housing in the area. This is of concern, given the amount of public money that was utilised to finance infrastructure and other projects (Dovey & Sandercock 2002). Considering that Docklands still is a very young community and that no final assessment can be made at this point in time, it will be telling to see what future community initiatives will bring, especially concerning the state governments commitment to create enhanced public value as outlined in the Value Creation and Capturing Framework, such as Fishermans Bend (Victoria State Government 2017, The State of Victoria Department of Environment, Land, Water and Planning 2016).

The case study has shown that diversity, while difficult to define, is something that is publically valued when planning urban development. The value of diversity is evident from the fact that it has been incorporated into the strategic vision for the community, which was developed in consultation with the local residents. However, insight into *what forms of diversity are valued*, *by whom they are valued* and *what role diversity plays in the locational decision-making of residents* could not be gained from this case study. Those questions have thus been addressed by a survey, the findings of which will be presented and analysed in the following chapter.

5 HOW RESIDENTS VALUE DIVERSITY IN AUSTRALIA'S LARGEST CITIES: A SURVEY

The aim of the survey was to explore if and what people value in diversity. Whilst the previous chapter has discussed the value that public stakeholders see in diversity, this chapter will turn to actual residents of diverse suburbs to start to understand how different kinds of diversity are valued – which kinds, in what ways, by whom, and how it is seen to add to the attractiveness of a neighbourhood. To do this, the overarching research question – if and what people value in diversity – has been broken down into more nuanced queries, which will be presented and analysed in two sections. The first section focuses on what forms or diversity are valued and who values it – a group of people that I will call *diversity-valuers*. The second section examines whether a distinct group of people can be identified that actively seeks and consumes diversity – so-called *diversity-seekers* and *diversity-consumers*. Within those two parts, the analysis of the survey is structured into the following six questions:

Diversity-Valuers

1. What does diversity mean?
2. What forms of diversity are valued?
3. Who values diversity?
4. What is valued in neighbourhood diversity?

Diversity-Seekers and Diversity-Consumers

5. Who seeks diversity?
6. Who pays for diversity?

As outlined in Chapter 3.2.4, the findings are based on the answers provided by 513 participants who were recruited from the 48 most diverse and desired postal areas in Sydney, Melbourne and Brisbane.

5.1 Diversity-Valuers

This part of the analysis will focus on the survey questions that were asked to ascertain what residents value in diversity as well as which demographic characteristics stand out. First, before analysing the value of diversity as found though the survey, I briefly discuss what attributes the respondents reported associating with the term diversity as a foundation for the further analysis.

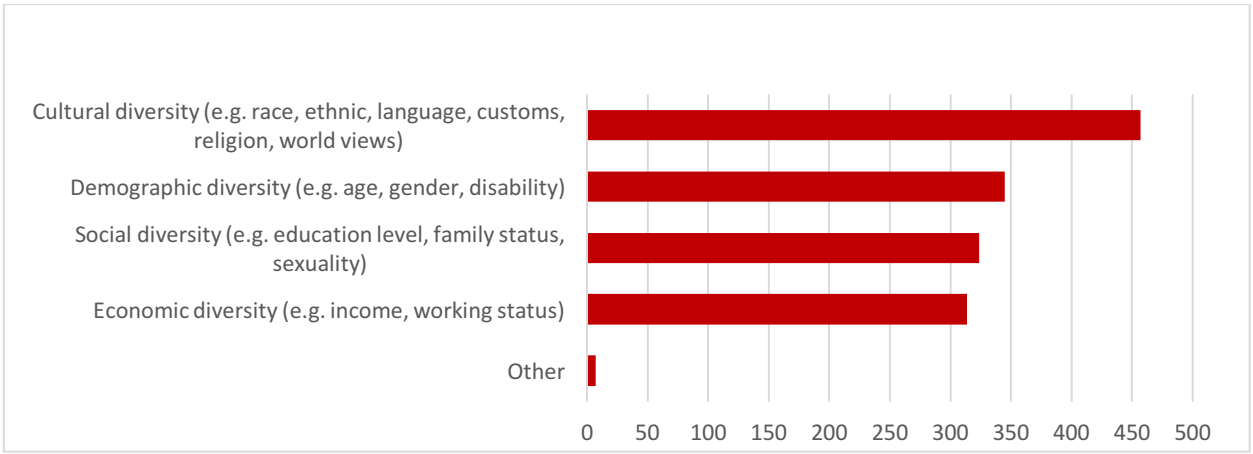
5.1.1 What Does Diversity Mean?

As outlined in Chapter 2.1.1, diversity is an ambiguous concept that can refer to a range of different characteristics and levels. Thus, my first interest was to understand what the survey participants associate with population diversity. This is important as it clarifies whether there is a commonly accepted definition of diversity. Moreover, it enables me to reconstruct what concept of diversity individual respondents refer to when they make statements about the value of diversity.

As Figure 5.1 shows, of the 513 respondents, 457 (89.1%) associated cultural diversity with a diverse neighbourhood population, 345 (67.3%) thought of demographic diversity, 324 (63.2%) of social diversity and 314 (61.2%) of economic diversity (what each of these categories entails is noted in the Figure). This shows that no category is completely underrepresented, but it also confirms that most often diversity is equated with cultural diversity. In this survey, 98 of the 513 (19.1%) participants indicated that if they hear the term diversity, they *only* think about cultural diversity. This parallels findings in the literature and other documents, where, if diversity is not specifically defined, it most often refers to ethnic/cultural/racial diversity. Nevertheless, the survey results reveal that almost half of the participants (46.78%) associated all four forms of diversity with a diverse population. This shows the relevance of a notion such as super-diversity, which stresses the fact that there are multiple intersecting types of diversity in contemporary society (Vertovec 2007, Tasan-Kok et al. 2013).

Economic diversity was least associated with population diversity from those four categories. This is interesting since tenure mix – indirectly referring to economic diversity – in the planning literature and practice is often equated with diversity (Talen et al. 2015).

Figure 5.1. If you think about a diverse neighbourhood population, what forms of diversity come to your mind?



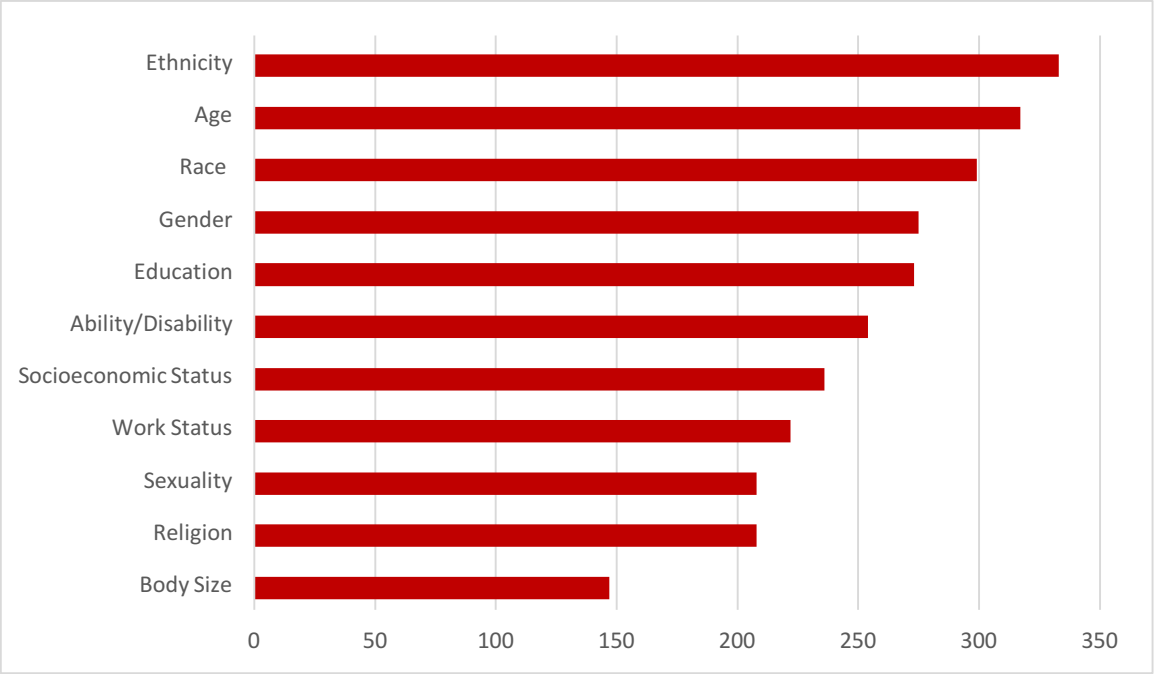
Source: Valuing Neighbourhood Diversity Survey

5.1.2 What Forms of Diversity Are Valued?

As noted in the previous chapter, asking generally about the value of diversity is very unspecific as diversity is highly differentiated in itself. With this survey I sought to find out if some types of diversity are valued more or less than others within a neighbourhood. The findings from this part of the survey could inform planning decisions on which forms of diversity to encourage within neighbourhoods and, in a normative sense, to potentially find ways to 'improve the image' of less desirable forms of diversity.

Asked about the kinds of diversity people value, the survey participants could choose from eleven predefined options and tick as many as applicable. Figure 5.2 presents the result:

Figure 5.2. Which of the following kinds of diversity do you value?



Source: Valuing Neighbourhood Diversity Survey

5.1.2.1 Cultural Diversity

Most participants (64.9%) valued ethnic diversity. Race diversity[15] came in third place, selected by 58.3%. This is confirmed by another question – it is a good thing that my neighbourhood is made up

[15] The answer choices *race* and *ethnicity*, where part of the subset of diversity categories borrowed from the Western Sydney University Inclusion and Safety survey. Whilst I personally think that both are social constructions, I acknowledge that within the public discourse race is generally associated with biology and ethnicity with culture.

of different cultural groups – where almost three-quaters (72%) of the participants agreed (21% strongly) with this statement (Figure 5.3). This is noteworthy, as cultural diversity in the public discourse is often portrayed negatively, resulting in a clash of values. However, it is also important to consider that the survey participants are all living in big cities and in relatively diverse suburbs, which are both expected to attract (Florida 2002) and produce (Emerson, Kimbro & Yancey 2002) more tolerant people.

Diversity of religion, in contrast, was only valued by 40.1% of the participants, which is a contradictory finding as it is associated with ethnic and race diversity. The Australian Bureau of Statistics (2016c), for instance, in the *standard definition of religious groups* states that 'religious affiliation provides a useful indicator of aspects of the cultural diversity of Australia's society'. The discrepancy between the value of ethnic and religious diversity could be explained by the negative representation of some religions, especially of the Islamic faith, in more conservative media outlets and political circles (Forest & Dunn 2010). It might also be reflective of an attitude evident in the dominant public discourse that values assimilation over multiculturalism (Forrest & Dunn 2010).

Overall, the results here confirm the findings of other research on the value of cultural diversity in Australia. Several polls and surveys conducted in Australia between 1995 and 2008 suggest that between 70-90% of people agree with the statement that cultural diversity positively impacts Australia (Forrest and Dunn 2010, p. 82). In a survey on racist attitudes conducted by Dunn et al. (2004) in the states of New South Wales and Queensland, for instance, a high level of agreement stems from questions such as:

- It is a good thing for a society to be made up of people from different cultures (85%)
- Feeling secure when with people of different ethnic backgrounds (75%)

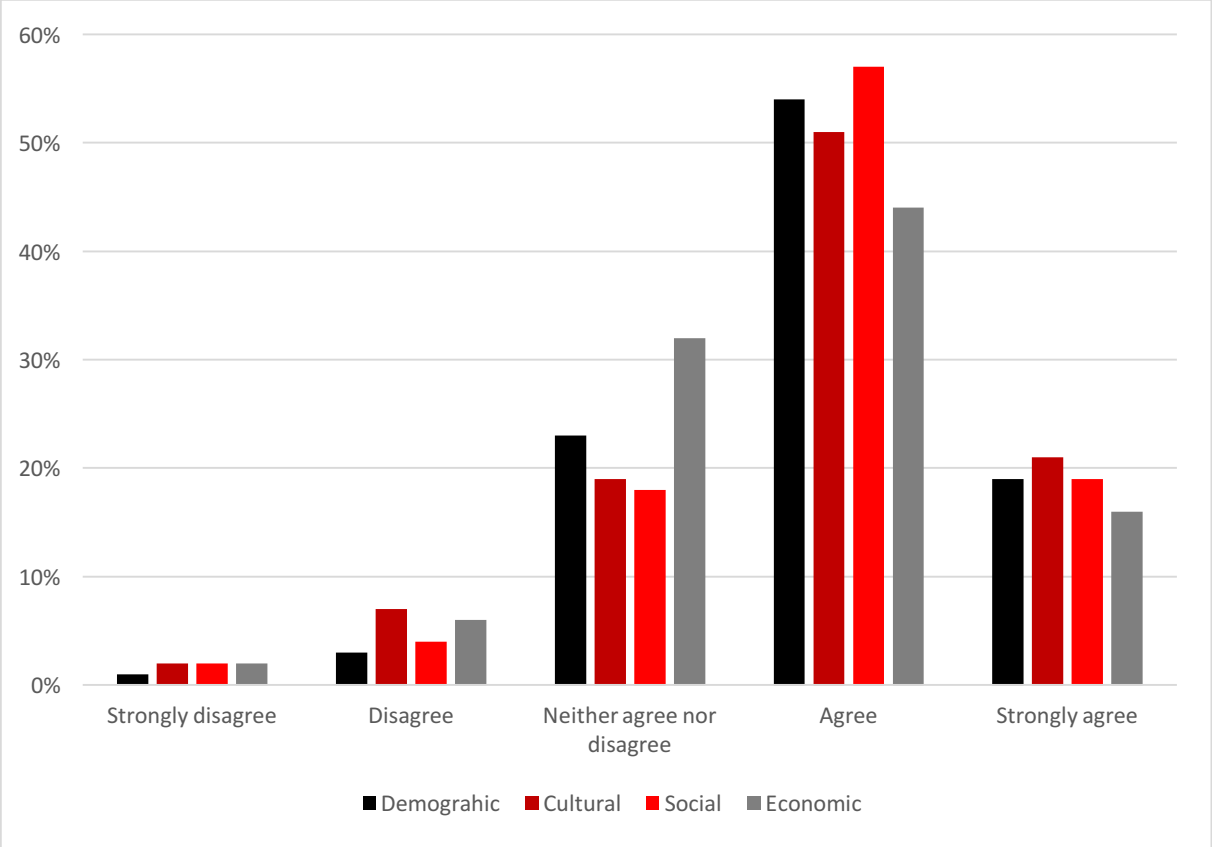
However, these results have to be interpreted with caution. Because at the same time, approximately half of the people also believe that the presence of many different cultural groups causes problems, expressing agreement with the following statements:

- Australia has been weakened by people of different ethnicities (45%)

Thus when asked more abstractly, people seem to value diversity; however, if asked more concretely and focusing on potential problems research shows that people tend to be more varied and cautious about the benefits of cultural diversity. Forrest and Dunn (2010, p. 82) see two different discourses at work that explain this discrepancy in attitudes. Firstly, 'a pro-diversity discourse based on liberal values of cultural equality and reproduced in the official rhetoric about multiculturalism' and, secondly, a discourse that stresses the importance of cultural sameness and population homogeneity for a functioning nation and community (ibid.).

I have thus included less abstract questions concerning the value of different forms of diversity in the survey. Here, the participants were asked to rate a range of statements, that it is a good thing that *their* neighbourhood is made up of different cultural, social, demographic and economic groups (Figure 5.3). Findings from these questions will be addressed in the remainder of this section.

Figure 5.3. It is a good thing for my neighbourhood to be made up of different demographic, cultural, social, economic groups



Source: Valuing Neighbourhood Diversity Survey

5.1.2.2 Demographic Diversity

As demonstrated in Figure 5.2, the second kind of diversity that most participants valued (61.8%) is age diversity. This suggests that people generally value the presence of different age groups. This is a relevant finding for urban planning as providing integrated age-friendly housing options is an immanent concern in the wake of ageing populations in industrialised counties, such as Australia (Australian Local Government Association 2006).

The fourth kind of diversity that participants valued the most is gender diversity (NB. race diversity, linked to cultural diversity, ranked third, as noted in the previous section), appreciated by 53.6% of

the respondents. Half of the participants (50%) valued diversity in regards to ability and disability. Body size is another category that can be classified under demographic diversity. In this survey, it is the least valued category, with only 34% stating that they valued body size diversity. It is unclear though – and beyond the scope of this thesis – whether this is because it is of less importance to the participants or whether different body sizes are not favoured.

In total, 73% of the participants agreed (19% of them strongly) that it is a good thing that their neighbourhood consists of different demographic groups (see Figure 5.3).

5.1.2.3 Social Diversity

The only kind of social diversity that has been specifically asked about in this question (see Figure 5.2) is education. Half (53%) of the participants indicated that they value the diversity in education backgrounds. However, 76% agreed (19% of them strongly) that it is a good thing for their neighbourhood to be made up of different social groups (see Figure 5.3). In that respect, social diversity has reached the highest percentage of appreciation, compared to cultural, economic and demographic diversity.

5.1.2.4 Economic Diversity

With regards to economic diversity, the survey has shown that below half of the participants valued socio-economic diversity (46%). A similar percentage valued the diversity of work status 43% (see Figure 5.2).

Figure 5.3 shows that in total, 60% agreed (16% strongly) that it is a good thing for their neighbourhood to be made up of different economic groups. The fraction of participants who neither agreed nor disagreed with this statement was especially high here, with 32%. This comparably low appreciation of economic diversity is an interesting finding as social planning policies specifically target and seek to promote mixed income housing (Lees 2008, Manley, van Ham & Doherty 2011) as discussed in Chapter 2.1.4.1.

This finding might also be an indicator for a lesser appreciation of class differences, as suggested by a recent study. Vincent, Butler and Ho (2017) looked at how school communities in a gentrified inner-suburb in Sydney negotiate ethnic and class differences. Their study revealed that whereas contact with ethnic differences was seen to add to one's 'multicultural capital', no value was seen in interaction with people with a different class background.

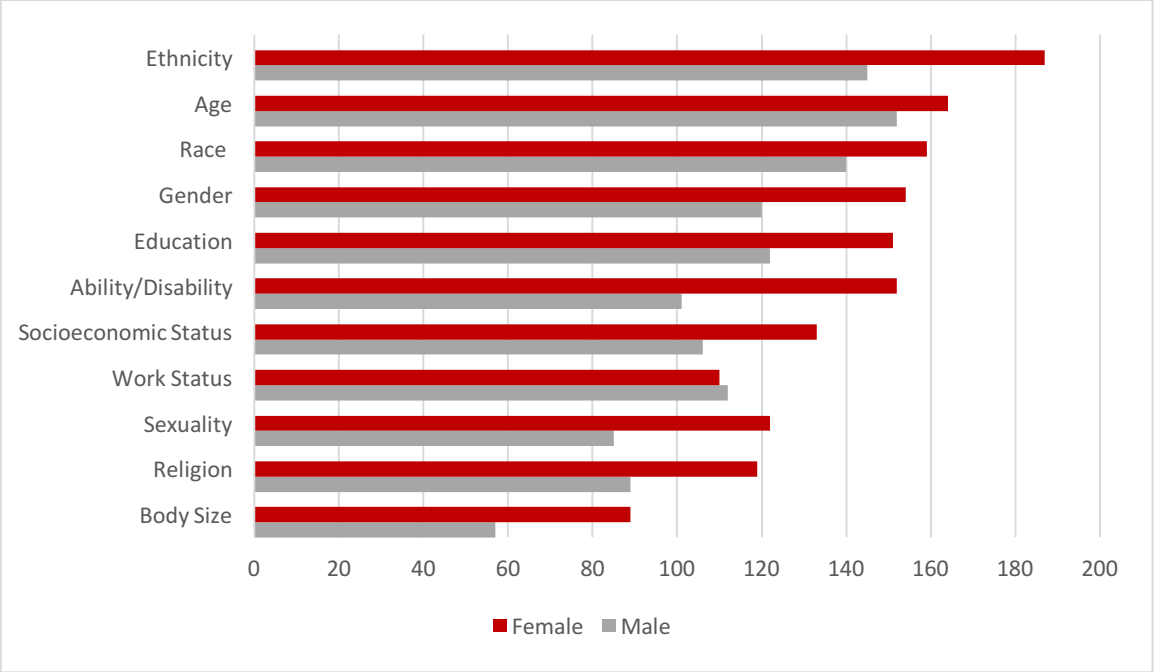
This section has presented the survey results that have indicated what forms of diversity residents value most. The analysis has shown that ethnic diversity is the most valued form of diversity and that over 70% appreciate that their neighbourhood is made up of different demographic, social and cultural groups. Economic diversity with 60% is the least valued form, a finding that could be addressed by urban planners given the value seen in mixed-income housing. Overall, the results demonstrate a high approval rate of diverse neighbourhoods across multiple differences and thus support the claim that neighbourhood diversity can be classified as a public value. Whilst this section has looked at general attitudes towards the value of diversity, the next will provide insight into differences between different demographic groups and the types of diversity they value.

5.1.3 Who Values Diversity?

In this section, I want to look at correlations between different demographic groups and the forms of diversity they value (see Table 5.1) in order to find out whether there exist significant discrepancies between different cohorts. As discussed in Chapter 3.2.4.3, no cohort in the survey sample is over- or underrepresented and reflects the demographic make-up of Australia.

In terms of gender, female respondents valued all types of diversity more than men. The sole exception was work status diversity, which could be reflective of a presumed link between masculine identity and paid full-time work (Hockey & Robinson 2011). The biggest difference can be found in the appreciation of the diversity of ability and disability, which 57% of the female but only 41% of the male respondents valued. This could point to a link between masculine identity and bodily integrity (i.e., performance, strength and skill) (Connell 2005) – an argument that I will not pursue here but that would be very interesting to examine in the future. Interestingly, 49% of the male and 58% of the female participants valued gender diversity itself. The higher percentage of women valuing gender diversity can arguably be tied to feminist discourse, expressing the desire for equal gender participation in public settings (Seager 2009). However, more research is needed to explain this difference and its causality. Overall, a greater than ten percent difference between male and female participants occurred in regards to valuing ethnic, gender and body size diversity. Further statistical analysis has shown that the relationship between gender and the value seen in diversity is statistically significant ($p<0.01$), indicating that there is a general difference between men and women and the kinds of diversity that they value.

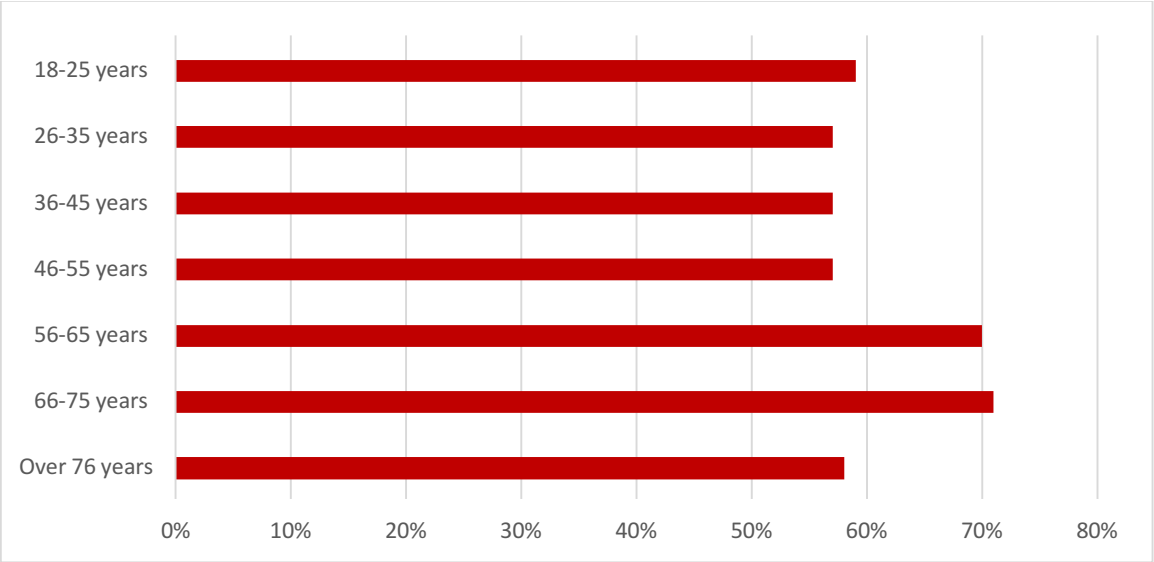
Figure 5.4. Gender differences regarding the value of diversity forms



Source: Valuing Neighbourhood Diversity Survey

With regards to how different age groups valued different forms of diversity, the age groups 46 to 55 and 56 to 65 valued diversity in race, gender, education, ability/disability, socio-economic status and work status most. Younger cohorts, 18 to 25 and 26 to 35, in contrast, valued the diversity of ethnicity, body size and sexuality most. With regards to the diversity of sexuality, younger respondents valued it more than twice as much than the two oldest age groups. This reflects a more liberal attitude towards non-heterosexual relationship forms in younger demographics (Armenia & Troia 2016). Considering how different age groups valued age diversity itself (see Figure 5.5) shows that across the seven age groups they all valued age diversity almost equally, and positively, at around 60%. For those aged between 56 to 75 years 10% more indicated that they valued age diversity. This might suggest that the desire to mix with younger people in this age group is especially high.

Figure 5.5. Which age groups value age diversity the most?



Source: Valuing Neighbourhood Diversity Survey

Looking at the different income groups the data shows that the participants earning between $200 and $600 per week valued the diversity of age, gender, education, ability/disability, socio-economic status, sexuality and religion the most and that this is thus the most tolerant income group. This group earned below the minimum wage mark – including students, retirees and stay-at home mothers – which the Fair Work Commission (2017) estimated at $694.90 per week in 2017. Another income group that ranked high across all different forms of diversity were people earning between $1,250 and $1,499 per week.

Considering further how educational background correlates with the forms of diversity valued reveals that the participants with undergraduate and postgraduate degrees ranked highest in all categories, except for body size and ability/disability. This suggests that people with higher education are more appreciative of diversity.

With regards to the different occupation groups, the analysis shows that community and personal service workers valued a majority of the diversity forms most. This may be because the nature of their work means dealing with a diversity of people on a daily basis.

Looking at the three largest ethnic groups in this survey, and their evaluation of diversity, shows that the differences across these were rather narrow. However, people with a European background ranked slightly higher in most categories than those with an Anglo-Australian or Asian background.

Table 5.1. Demographic groups and what forms of diversity they value[16]

	Ethnicity	Age	Race	Gender	Education	Ability/ Disability	Socioeconomic status	Work Status	Sexuality	Religion	Body Size
OVERALL											
	64.9	61.8	58.3	53.6	53.2	49.5	43.3	46	40.5	40.5	28.6
GENDER											
Male	58.7	61.5	56.7	48.6	49.4	40.9	42.9	45.3	34.4	36	23.1
Female	70.6	61.9	60	58.1	57	57.4	49.1	41.5	46	44.9	33.6
AGE											
18-25	68.1	59.4	59.4	56.5	53.6	42	47.8	39.1	56.5	42	36.2
26-35	70.1	55.8	59.7	50.6	49.3	49.3	50.6	44.1	50.6	36.2	36.4
36-45	61.3	57	61.3	55.9	54.8	46.2	40.9	45.1	38.7	43	26.9
46-55	64.4	57.5	63.2	60.9	51.7	58.6	44.8	50.6	42.5	40.2	32.2
56-65	65.3	70.4	56.1	53	61.2	49	51	44.9	34.7	41.8	26.5
66-75	61.4	71.4	52.9	48.6	44.3	50	40	35.7	25.7	42.9	15.7
76+	63.2	57.9	42.1	31.6	57.9	52.6	47.3	31.6	26.3	26.3	21.1
INCOME per week											
$2,000 or more	64.1	62.5	59.4	51.6	59.4	35.9	48.4	50	42.2	31.2	29.7
$1,500 - $1,999	67.7	62.9	62.9	54.8	51.6	50	41.9	43.5	38.7	45.2	27.4
$1,250 - $1,499	79.6	71.4	63.3	63.3	65.3	49	49	51	40.8	46.9	26.6
$1,000 - $1,249	60.3	60.3	52.4	47.6	49.2	49.2	50.8	38.1	41.3	36.5	23.8
$800 - $999	63.3	57.1	55.1	44.9	40.8	40.8	38.8	40.8	42.9	36.7	30.6
$600 - $799	73.6	54.7	54.7	56.6	49.1	54.7	47.2	41.5	30.2	37.7	20.7
$400 - $599	60.7	62.5	55.4	53.6	50	64.3	46.4	44.6	51.8	44.6	35.7
$300 - $399	65.8	73.7	60.5	65.8	68.4	60.5	52.6	50	42.1	44.7	36.8
$200 - $299	72	76	64	52	52	52	48	28	32	56	16
$1 - $199	35.7	35.7	50	50	50	28.6	50	50	50	50	57.1
Nil income	57.1	54.3	65.7	51.4	54.3	51.4	34.3	34.3	40	34.3	28.6
HIGHEST EDUCATION											

[16] For purposes of clarity, the highest two percentages are shaded in grey, indicating which cohort values a specific form of diversity most.

Did not finish high school	51	53.1	49	44.9	51	49	40.8	34.7	26.5	34.7	20.4
High school (year 12 or equivalent)	57.6	60	60	56.5	52.9	50.6	35.3	37.6	41.1	40	34.1
Diploma or certificate	59.2	61.2	50.3	47.6	47.6	52.4	44.2	41.5	38.8	35	27.9
Undergraduate degree	76.5	63.4	67.3	58.8	56.2	48.4	51	43.8	42.5	45	27.4
Postgraduate degree	69.7	68.4	59.2	57.9	59.2	46.1	52.6	57.9	48.7	46	32.9
OCCUPATION											
Manager	68.2	66.7	57.6	59.1	47	39.4	37.9	51.5	36.4	37.9	28.8
Professional	72.2	62.4	66.9	50.4	54.1	45.9	50.4	48.1	42.9	42.1	28.6
Technician and Trades Worker	57.9	52.6	57.9	57.9	42.1	57.9	36.8	21	21	31.6	31.6
Community and Personal Service Worker	94.1	70.6	70.6	64.7	64.7	58.8	70.6	47.1	47.1	58.8	35.3
Clerical and Administrative Worker	62.6	54.2	53	53	51.8	55.4	43.4	42.2	41	37.3	28.9
Sales Worker	62.5	65.6	62.5	56.2	62.5	56.2	56.2	53.1	59.4	50	37.5
Machinery Operator and Driver	50	62.5	75	50	62.5	25	50	75	50	37.5	37.5
Labourer	42.1	63.1	47.4	42.1	47.4	57.9	47.4	57.9	47.4	31.6	31.6
Other	59.6	62.5	51.5	53.7	54.4	50.7	42.6	31.6	36	40.4	24.3
ETHNICITY											
Anglo Australian	63.3	65.2	59.1	55.2	54	53.3	49.8	47.1	40.1	37.1	31.7
European	66.4	68	61.6	58.4	55.2	56.8	44	40	48	48.8	29.6
Asian	69.3	52.5	61.4	48.5	55.4	41.6	49.5	41.6	38.6	47.5	26.7

Source: Valuing Neighbourhood Diversity Survey

Generally, this analysis shows that the value placed on diversity is not universal but differentiated across demographic groups. This is something that should be taken in account by urban planners and policy makers, when targeting specific population groups with housing related initiatives.

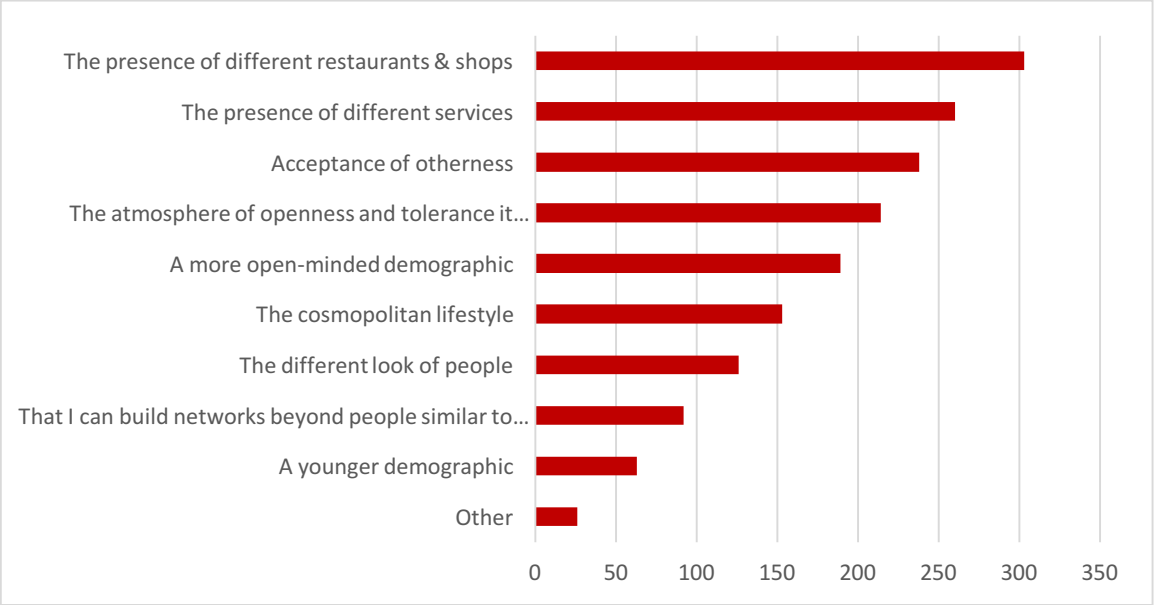
With regards to the demographic profile of the *diversity-valuers*, the survey has shown that the demographic that valued the majority of the eleven forms of diversity – ethnicity, age, race, gender, education, ability/disability, socio-economic status, work status, sexuality, religion and body size – most, was most likely to be female, aged between 46 and 65, earned between $200 and $600 per

week, had an undergraduate or postgraduate degree, was employed as a community and personal service worker and had a European background.

5.1.4 What Do People Value in Neighbourhood Diversity?

Whilst the last two sections have examined the value people see in population diversity, this final sub-section about diversity-valuers focuses more specifically on what aspects residents of diverse neighbourhoods – which all of the survey participants are – value in their neighbourhood. With the last question of the survey, the aim was to understand what neighbourhood aspects – as described in the literature as characteristic of diverse neighbourhoods (see Chapters 2.1.4.1 and 2.2.3.1) – are valued by the participants. The assumption here is that all survey participants live in relatively diverse neighbourhoods. The answers to this question thus provide insights into what distinguishes those diverse neighbourhoods from others. In the survey, the participants were able to choose between ten options when asked what they value within their neighbourhood. They were not limited in their choices and could tick as many as were applicable to their experience.

Figure 5.6. Within my neighbourhood I value



Source: Valuing Neighbourhood Diversity Survey

The summary of the answers chosen by the participants shows that participants primarily valued access to amenities in their neighbourhood. The majority (59%) valued *the presence of different restaurants and shops,* and 50.7% valued *the presence of different services*. In accordance with the

findings from the case study, this suggests that diversity could be promoted by the public sector through the provision of different, diversity-enhancing services – such as schools or age care.

The next three highest ranked characteristics refer to the attitude of people – *acceptance of otherness* (46.4%), *the atmosphere of openness and tolerance it provides (41.72%)* and *a more open-minded demographic* (36.8%). The option to build social networks with people from different backgrounds only resonated with 17.93% of the respondents. This suggests that interpersonal contact across differences in those diverse suburbs does not play a significant part in the everyday lives of the residents, as argued by Blokland and van Eijk (2009) and Wessendorf (2013).

Looking at the diversity-seeker demographic – people who indicated that they moved into a neighbourhood because of its diversity – and what they value in their neighbourhood *(Figure 5.7*) shows that they appreciated those aspects that are commonly seen as characteristic for a diverse neighbourhood much more than those who stated that diversity didn't play any role in their neighbourhood choice. These characteristics, sorted by their popularity, are:

- Acceptance of otherness
- The atmosphere of openness and tolerance it provides
- A more open-minded demographic
- The cosmopolitan lifestyle
- The different look of people

This indicates that diversity-seekers are more aware of the benefits that diversity brings, assuming that this is what they were specifically seeking when desiring to live in a diverse neighbourhood.

Figure 5.7. What Diversity-Seeker value in their neighbourhood

		I moved into this neighbourhood because I valued its diversity				
		Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
Within my neighbourhood, I value	Acceptance of otherness	16.82	40.35	49	59.09	57.89
	That I can build networks beyond people similar to me	2.33	9.65	20.48	30.68	10.53
	The atmosphere of openness and tolerance it provides	27.91	35.09	40.16	59.09	52.63
	The presence of different restaurants & shops	51.16	63.16	57.43	63.64	52.63
	The presence of different services	32.56	57.02	49	55.68	52.63
	The cosmopolitan lifestyle	23.26	22.81	28.51	42.05	47.37
	A younger demographic	6.98	8.77	11.24	20.45	21.05
	A more open-minded demographic	18.60	27.19	37.35	52.27	57.89
	The different look of people	16.28	15.97	23.69	39.77	36.84

Source: Valuing Neighbourhood Diversity Survey

5.1.5 Conclusion

Findings from the survey have provided insight into the different forms of diversity that people value in a neighbourhood as well as what people value in a diverse neighbourhood.

Regarding the forms of diversity that are valued most, the results have shown that ethnic diversity is most popular, valued by 64.9% of the participants. This is followed by age diversity, race, gender and education, which more than half of the participants valued. Grouping different forms of diversity together – social, demographic, cultural and economic – revealed that economic diversity is valued least. Given that economic diversity is the focus of inclusive and diversity promoting housing policies and strategies, the question arises how could some forms of diversity be valued more, for instance, economic diversity? Is this something that could be encouraged by urban planners and governors and promoted in a way to make it more desirable to residents?

With regards to the demographic characteristics of diversity-valuers, the analysis has shown that these were most likely to be female, aged between 46 and 65, with an income between $200 and $600 per week and an undergraduate or postgraduate degree, employed as a community and personal service worker and of European descent.

Whilst this section has shed light on the forms of diversity valued by residents, in the next section I am interested in whether the survey data confirms that there is a group of people in Australia who specifically move into a neighbourhood because of its diversity – a group, which I label *diversity-seekers,* as mentioned in the preceding paragraph. As argued by Florida (2002) (see Chapter 2.2.3.1), the creative class is attracted by diverse places that are open-minded. Since his arguments are based on US statistics and city-level data, I want to examine whether his thesis is supported by the survey data sourced on a neighbourhood level in Australia.

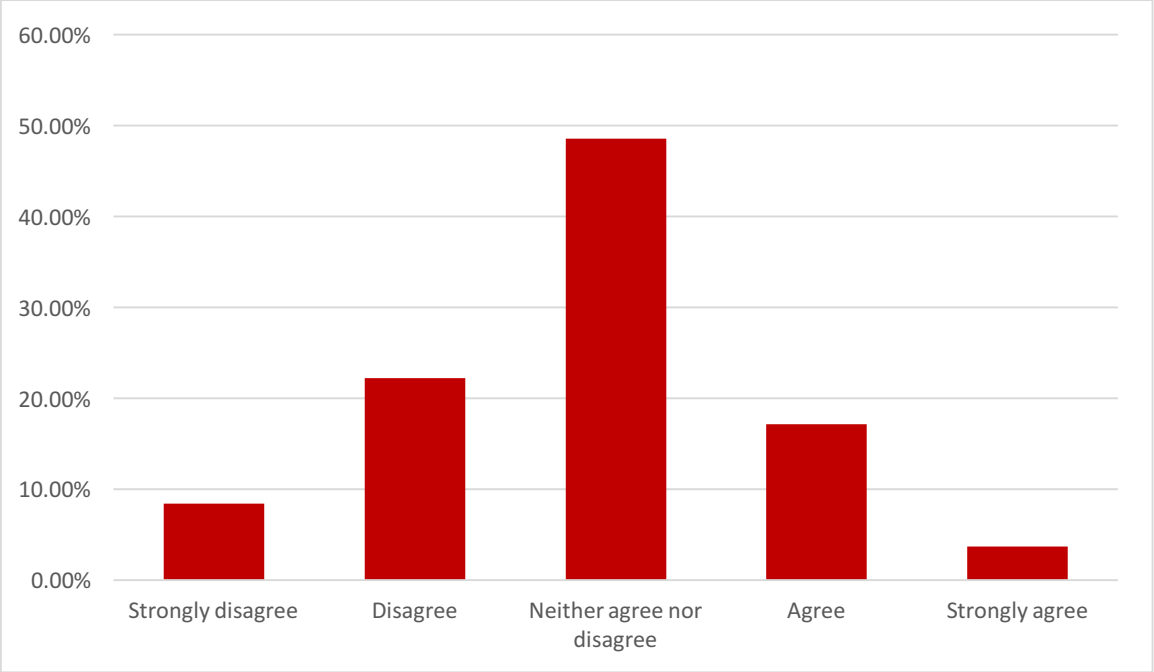
5.2 Diversity-Seekers and Diversity-Consumers

The next sections address the questions *who seeks diversity?* and *who pays for diversity?* This will be done by analysing how proportions of different demographic cohorts answered questions regarding the role diversity has played in choosing their neighbourhood, as well as their willingness to pay monetary or non-monetary/temporal costs in order to live in a diverse neighbourhood.

5.2.1 Who Seeks Diversity?

Specifically asked if they moved into a neighbourhood because of its diversity, a little over one-fifth (21%) of those surveyed agreed with this statement (3.7% of which strongly) (Figure 5.8). Almost 50% of the participants here ticked neither agree nor disagree, indicating that diversity did neither encourage nor discourage their decision to move into the neighbourhood. Slightly more than 30% of the participants, however, have expressed their disagreement with the statement *I moved into this neighbourhood because I valued its diversity,* which shows that there are a respectable proportion of people for whom population diversity does not matter in the choice of the place they want to live.

Figure 5.8. I moved into this neighbourhood because I valued its diversity



Source: Valuing Neighbourhood Diversity Survey

In this section, however, I want to look more closely at the group of people who have indicated that they moved into a neighbourhood because of its diversity, to see whether there are any specific characteristics that stand out. In this analysis, I am interested in the distribution within the diversity-seeker group as well as comparing the proportion of the diversity-seeker cohort (e.g. all female survey participants who indicated that they moved into a neighbourhood because of its diversity) with the whole participant cohort (e.g. all female survey participants). This will indicate which group is especially invested in diversity in a neighbourhood. Understanding the demographic that actively values diversity and seeks to live in diverse neighbourhoods will enable me to draw more nuanced conclusions with regards to the potential value that can be gained from promoting and investing in diverse neighbourhoods. Some of the results have to be interpreted with caution though, as a few groups are only represented in very small numbers in this survey, for instance some ethnic groups.

In total, 107 persons (20.85%) of the survey participants indicated that they have moved into their neighbourhood because they valued its diversity. Table 5.2 presents the statistical proportions for all demographic cohorts.

Looking at the gender distribution regarding the decision to move into a neighbourhood because of its diversity suggests that a higher percentage of male respondents agreed to have done so. A

quarter (24.7%) of all male respondents stated that they have moved into a neighbourhood because of its diversity, compared to 17.36% of the female respondents. This is interesting, given that overall female respondents valued diversity more than male respondents. This suggests that the appreciation of diversity does not necessarily translate into the desire or possibility to live in a diverse neighbourhood. A possible explanation for this could be that due to structural inequality – women still have less power and decision-making capacity, for instance, due to the gender pay-gap (Workplace Gender Equality Agency 2017). However, to make more qualified statements regarding this gender discrepancy in valuing and seeking diversity, further research is needed exploring this relationship.

Looking at the distribution of different age groups shows that around 20% of each age group stated that they moved into a neighbourhood because of its diversity. The age groups with a slightly higher percentage than the others – and it is very slight – were 36 to 45 (22.58%) and 26 to 35 (22.08%). This suggests that age does not play a significant role within the group of people who actively seek diversity in their living environment. This is contradicting both Allen's (1980) as well as Florida's (2002) thesis, that diversity-seekers are young professionals.

Regarding the different income groups shows that the highest proportion of participants who actively seek out diverse neighbourhoods belong to the higher income groups, those earning above $2000 per week as well those earning between $1,250 and $1,499. In both cases, over 30% of this income cohort has actively chosen to live in a diverse neighbourhood. In general, half of the people who stated that they moved into a neighbourhood because of its diversity earn above $1,250 per week. In terms of the value of diversity, this indicates that diverse neighbourhoods attract people with high income. This could also imply that people on a higher income feel like they have more locational choice than people on a lower income, who are restricted by the areas they can actually afford to live in. This means that choosing diversity – or any location for that matter – is a function of income.

Another aspect playing into this is the correlation between gentrification and diverse neighbourhoods (Damaris 2004, Talen et al. 2015). The more popular a diverse neighbourhood becomes, the more expensive housing and rent prices will be. Consequently, only people with higher incomes can afford to live in those neighbourhoods, whilst people with low incomes will be pushed out. Since participants for this survey were recruited from those diverse suburbs with a median house price above the average of the metropolitan area – in other words, on the edge of gentrification – in order to specifically target diversity-seekers, this automatically results in a bias towards more affluent people through the research design (even though all income groups were represented equally in the sample).

Interestingly, though, another income group that said its decision to move into a neighbourhood was motivated by its diversity are those earning only $300-$399 per week. This is also one of the income groups that valued the majority of different diversity forms most and includes people such as students and pensioners.

Grouping different interest groups together into high ($65,000 – $104,000+), middle ($31,201-65,000) and low (0-$31,200) income (these income categories are based on Phillips and Toohey's (2013) classification) shows that there is a statistically significant relationship ($p<0.05$) between income and moving into a neighbourhood because of its diversity.

Examining the education level of the group that actively values and pursues diverse neighbourhoods, reveals that, within this group, most people have an undergraduate degree (30.84%) or diploma (25.23%). However, looking at all survey participants shows that the highest proportion is made up by people with a postgraduate degree. With 27.63%, more than a quarter of highly educated people have indicated that they moved into a neighbourhood because of its diversity. These findings reflect a group that Richard Florida labels as the 'talent' that cities should seek to attract. He defines 'talent' as people 'with a bachelor's degree and above' (Florida 2003, p. 10). He argues that these are the residents that help cities to raise their competitive potential and enhance economic growth as they attract companies to the places they are living in.

Reviewing the different occupation categories indicates that almost a quarter of all managers and professionals have moved into a neighbourhood because of its diversity. This is not surprising after the high representation of the higher income groups, as these traditionally are the jobs that pay more[17]. This also confirms findings from Allen (1980) and Blokland and van Eijk (2010), who both have linked a taste for diversity to higher-educated professionals and managers.

Looking at the tenure status of the people seeking diversity reveals no notable difference between owners and renters, both are represented with around 21%.

Considering the ethnic background of the diversity-seekers shows that the highest percentage (39.25%) were Anglo-Australian. However, when compared to the whole survey sample, other ethnic groups are represented in even higher proportions, for instance people with a Middle Eastern background. This has to be viewed with caution though, as some ethnicities were only represented in very small numbers in this survey (see frequency per category in Table 5.2). From the participants with ethnicities that are represented in bigger groups – Anglo-Australian, Asian, European – around 25% of

[17] Another high percentage (30%) of people that seek out diversity in their living environment has occurred in the 'Other' occupation category, which subsumes a diverse group of people, such as retired or unemployed people, as well as artists or students.

the respective cohorts have indicated that they moved into a neighbourhood because of its diversity. People with an Asian ethnic background, however, were most represented as diversity-seekers, at 26.73%. This suggests that there is no special relation between ethnicity and actively valuing neighbourhood diversity.

Considering the location of the diversity-seekers reveals that, with 27.6%, Melbourne has the highest percentage, followed by Sydney with 20.4% and only 14.5% from Brisbane. Calculating the chi square test, shows that the differences found between participants from the three cities is not due to randomness of this sample but is a difference that can be observed in the population (probability level = 0.032). Interestingly, this reflects the ranking of the cities with regards to the most diverse neighbourhoods. It also indicates that geographical locations matter when dealing with the diversity-seekers phenomenon.

Table 5.2. Demographic Profile of Diversity-Seekers[18]

People who have moved into a neighbourhood because of its diversity			
Gender	**Amount**	**% Group who values diversity**	**Percentage of overall cohort**
GENDER			
Male	61	57%	24.7%
Female	46	43%	17.36%
AGE			
18-25	12	11.21%	17.39%
26-35	17	15.89%	22.08%
36-45	21	19.63%	22.58%
46-55	19	17.76%	21.84%
56-65	19	17.76%	19.39%
66-75	15	14.02%	21.43%
76+	2	1.87%	10.53%
INCOME			
$2,000 or more	24	22.43%	37.7%
$1,500 - $1,999	14	13.08%	22.58%
$1,250 - $1,499	15	14.02%	30.61%
$1,000 - $1,249	9	8.41%	14.29%
$800 - $999	9	8.41%	18.37%
$600 - $799	8	7.48%	15.09%
$400 - $599	10	9.35%	17.86%
$300 - $399	9	8.41%	23.68%
$200 - $299	3	2.8%	12%
$1 - $199	3	2.8%	21.4%
Nil income	3	2.8%	8.6%

[18] Again, for purposes of clarity, the highest two percentages are shaded in grey, indicating which cohort actively seeks out diversity the most.

Negative income	0		
EDUCATION			
Did not finish high school	7	6.5%	14.29%
High school (year 12 or equivalent)	18	16.82%	21.18%
Diploma or certificate	27	25.23%	18.37%
Undergraduate degree	33	30.84%	21.57%
Postgraduate degree	21	19.63%	27.63%
Other	1	0.93%	
OCCUPATION			
Manager	16	14.95%	24.24%
Professional	30	28.04%	23.08%
Technician and Trades Worker	3	2.80%	15.79%
Community and Personal Service Worker	3	2.80%	17.65%
Clerical and Administrative Worker	14	13.08%	16.87%
Sales Worker	4	3.74%	12.5%
Machinery Operator and Driver	1	0.93%	12.5%
Labourer	3	2.80%	15.79%
Other	33	30.84%	24.26%
ETHNICITY			
Anglo Australian	42	39.25%	26.22%
European	29	27.10%	23.20%
Asian	27	25.23%	26.73%
TENURE STATUS			
Rent	41	38.32%	21.69%
Own	61	57.01%	20.54%
LOCATION			
Sydney	29	27.1	20.4
Melbourne	51	47.7	27.6
Brisbane	27	25.2	14.5

Source: Valuing Neighbourhood Diversity Survey

Examination of the demographic characteristics of the group that said that they moved into a neighbourhood because of its diversity reveals the following profile: the persons who actively seeks out diversity when making residential location choices is most likely to be male, between 36 and 45 years old, has a high weekly income above $1250, is employed as a manager or professional, has an undergraduate or postgraduate degree and an Asian ethnic background and lives in Melbourne. This

demographic profile is in-line with what Blokland and van Eijk (2009) have termed *diversity-seeker* – a term that I have adopted in this thesis. They find that education and having a paid job are the best predictors for a taste of diversity, meaning that diversity-seekers have 'access to resources for 'getting ahead'' (ibid, p. 322).

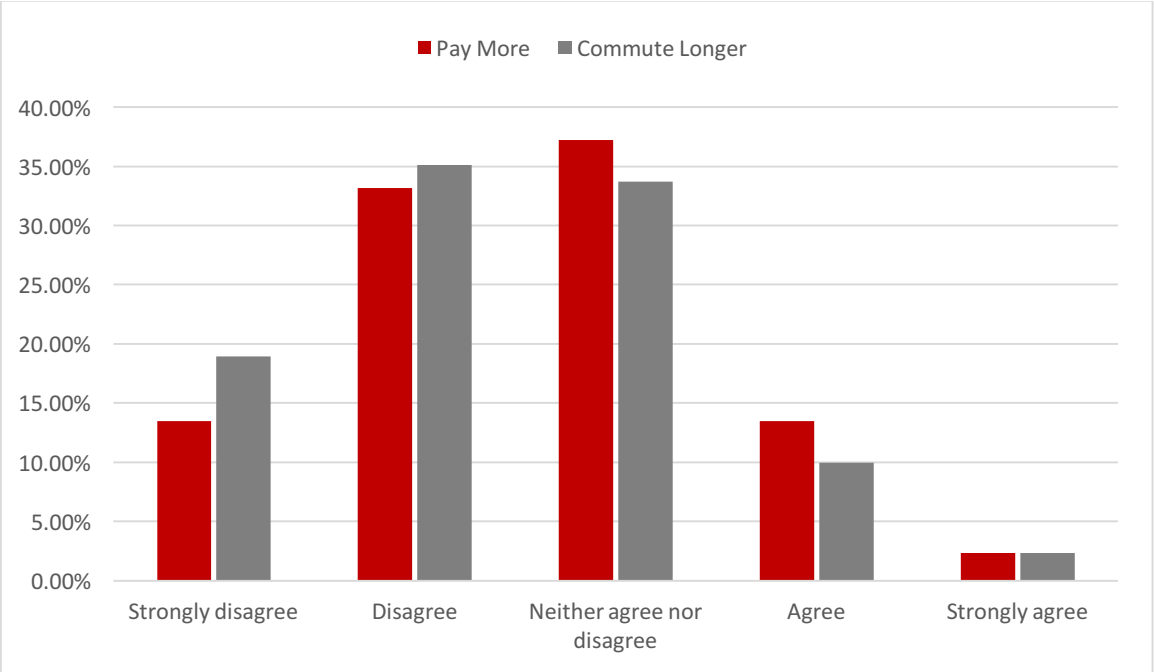
Whilst only a fifth of the survey participants can be classified as a diversity-seeker, the survey has shown that a taste for diversity exists in Australia and that it can be linked to a similar demographic as in the US (Allen 1980, Florida 2002) and the Netherlands (Blokland & van Eijk 2009).

Whilst this section has examined the diversity-seekers phenomenon in Australia, the next section focuses on the willingness of this demographic to pay money or time in order to live in a diverse place.

5.2.2 Who Pays for Diversity?

Asking more directly about the price – monetary (e.g. paying higher house prices) and temporal (e.g. accepting the time-cost a longer commute incurs) – people are willing to pay in order to live in a diverse neighbourhood shows that there are 81 participants (16% of the sample) who indicated that they were willing to pay a higher rent/house price (see Figure 5.9), while only 63 (12%) were willing to accept a longer commute in order to live in a diverse neighbourhood. However, the majority of people disagreed with these two statements – *I am willing to pay a higher house price* and *I accept a longer commute to my workplace, in order to live in a diverse neighbourhood such as this* – 46.6% (13.5% of whom strongly) and 54% (18.9%strongly) respectively. This indicates that the people who value diversity in their neighbourhood and are willing to make monetary and temporal (time concerning) sacrifices are a minority.

Figure 5.9. I am willing to pay a higher rent/housing price, in order to live in a diverse neighbourhood such as this.
I accept a longer commute to my workplace, in order to live in a diverse neighbourhood such as this.



Source: Valuing Neighbourhood Diversity Survey

In this section I, again, will look more closely at the demographic make-up of the group that is willing to pay a monetary and/or temporal price in order to live in a diverse neighbourhood. This will clarify whether there is a distinct demographic that can be labelled as *diversity-consumer,* people that are willing to pay money to live in a diverse place. When making an economic argument for diverse neighbourhoods, this would potentially be the group targeted by economic-driven planning and marketing initiatives.

Table 5.3 presents statistics for all demographic cohorts regarding their willingness to pay more or commute longer in order to live in a diverse neighbourhood. With regards to gender, the analysis shows that a higher proportion of male compared to female respondents was willing to pay a monetary (17% of all male participants) and temporal (14.57%) price to live in a diverse neighbourhood.

Looking at the age groups shows that almost 20% of the people between 26 and 55 years were willing to pay a higher house price in order to live in a diverse neighbourhood. Noticeable is, that in almost all age groups people were willing to pay more money rather than to commute longer, except for the 18 to 25 and the 26 to 35 year olds. In the latter age cohort, 22% were willing to commute longer. This suggests that the younger age groups might not be in a financial situation in which they

can afford to pay for a lifestyle associated with a diverse neighbourhood but that they are willing to make other concessions.

A similar situation presents itself with regards to income. Those people with the highest income ($2000 per week and above) were willing to pay more in order to live in a diverse neighbourhood. Those with a weekly income between $1,250 - $1,499, in contrast, were willing to commute longer. This indicates that people with more financial resources – and probably less time – are willing to use these in order to live in a diverse place, whereas people with fewer financial resources are more inclined to give up their time.

Looking at the occupational background confirms these findings. Almost a quarter of the managers (24.24%) were willing to pay more but are not willing to commute longer in order to live in a diverse neighbourhood, suggesting that to this group, time is more valuable than money. A considerable amount of professionals was willing to pay more (19.55%) and also to commute longer (16.54%). The group with the highest proportion that is willing to commute longer is sales workers with 25%, who, due to the nature of their job, might do a lot of travelling anyway.

Looking at people's qualification indicates that those with a post-graduate degree were most willing to pay more and commute longer in order to live in a diverse neighbourhood. This shows that, overall, this was the keenest group to live in a diverse neighbourhood. With 20%, another noticeable group that was willing to pay more to live in a diverse neighbourhood are people without a school degree. However, to make more reliable statements about this cohort, the study would have to be repeated with a larger sample.

With regards to ethnicity – and only considering the three most represented ones in this survey: Anglo-Australian, Asian and European – shows that around 20% of the survey participants with an Asian ethnic background were willing to pay more and to commute longer in order to live in a diverse neighbourhood. In comparison, proportions for Anglo Australians and Europeans were much lower.

Considering the tenure status of the diversity seeker indicates that home-owners were more ready to pay more in order to live in a diverse neighbourhood, whereas renters were willing to accept a longer commute. This ties in with the results found at age and income, as renters are more likely to be of younger age and on lower income, as they are still arguably (or at least, traditionally) at the beginning of their careers.

Looking at the spatial distribution of people willing to pay a monetary or temporal price in order to live in a diverse neighbourhood shows that people living in Melbourne were both willing to pay more for housing (18.9%) as well as to commute longer (17.3%) than participants from Sydney and Brisbane.

Table 5.3. Monetary and Temporal Investment of Diversity-Seekers and -Consumers

	Pay more to live in diverse neighbourhood			Commute longer to live in a diverse neighbourhood		
	Amount	%	% of total subgroup	Amount	%	% of total subgroup
TOTAL	81		15.79%	63		12.28%
GENDER						
Male	42	51.58%	17%	36	57.14%	14.57%
Female	39	48.15%	14.71%	27	42.86%	10.19%
AGE						
18-25	8	9.88%	11.59%	11	17.46%	15.94%
26-35	14	17.28%	18.18%	17	26.98%	22.08%
36-45	18	22.22%	19.35%	12	19.05%	12.9%
46-55	16	19.75%	18.39%	7	11.11%	8.46%
56-65	14	17.28%	14.29%	9	14.29%	9.18%
66-75	10	12.35%	14.29%	6	9.52%	8.57%
76+	1	1.23%	5.26%	1	1.59%	5.26%
INCOME per week						
$2,000 or more	15	18.52%	23.44%	9	14.29%	14.06%
$1,500 - $1,999	11	13.58%	17.74%	8	12.70%	12.9%
$1,250 - $1,499	12	14.81%	24.49%	9	14.29%	18.3%
$1,000 - $1,249	10	12.35%	15.87%	11	17.46%	17.46%
$800 - $999	7	8.64%	14.29%	5	7.94%	10.2%
$600 - $799	7	8.64%	13.21%	7	11.11%	13.21%
$400 - $599	5	6.17%	8.93%	3	4.76%	5.36%
$300 - $399	7	8.64%	18.42%	6	9.52%	15.79%
$200 - $299	2	2.47%	8%	0	0.00%	
$1 - $199	3	3.70%	21.43%	4	6.35%	28.57%
Nil income	2	2.47%	5.71%	1	1.59%	2.86%
HIGHEST EDUCATION						
Did not finish high school	10	12.35%	20.41%	6	9.52%	12.24%
High school (year 12 or equivalent)	11	13.58%	12.94%	11	17.46%	12.94%
Diploma or certificate	17	20.99%	11.56%	13	20.63%	8.84%
Undergraduate degree	27	33.33%	17.65%	20	31.75%	13.07%
Postgraduate degree	16	19.75%	21.05%	13	20.63%	17.11%
OCCUPATION						
Manager	16	19.75%	24.24%	7	11.11%	10.61%
Professional	26	32.10%	19.55%	22	34.92%	16.54%
Technician and Trades Worker	1	1.23%	5.26%	1	1.59%	5.26%

Community and Personal Service Worker	3	3.70%	17.65%	1	1.59%	5.88%
Clerical and Administrative Worker	10	12.35%	12.05%	9	14.29%	10.84%
Sales Worker	4	4.94%	12.5%	8	12.70%	25%
Machinery Operator and Driver	0	0.00%		1	1.59%	12.5%
Labourer	2	2.47%	10.53%	3	4.76%	15.79%
Other	19	23.46%	13.97%	11	17.46%	8.09%
ETHNICITY						
Anglo Australian	35	43.21%	13.51%	24	38.10%	9.27%
European	19	23.46%	15.2%	15	23.81%	12%
Asian	20	24.69%	19.8%	20	31.75%	19.8%
TENURE STATUS						
Rent	27	33.33%	14.29%	32	50.79%	16.93%
Own	53	65.43%	17.85%	29	46.03%	9.76%
LOCATION						
Sydney	18	22.2	12.7	17	27.0	12
Melbourne	35	43.2	18.9	32	50.8	17.3
Brisbane	28	34.6	15.1	14	22.2	7.5

Source: Valuing Neighbourhood Diversity Survey

In sum, those people who are most likely to pay more in order to live in a diverse neighbourhood were on average male, between 26 and 55 years old, in the highest income band (over $2000per week), had a postgraduate degree, worked as managers or professionals and had an Asian ethnic background, owned their home and lived in Melbourne – and thus are people with the capacity to pay more.

The characteristics of the group that is willing to pay a temporal price to enjoy the benefits of living in a diverse neighbourhood – measured in the willingness to commute longer – looks slightly different. Here, the prototype can be characterised as: male, between 18 and 35 years old, with an income between $1,250 and $1,499 per week, working as a sales worker or professional, having a postgraduate degree and an Asian ethnic background, renting and living in Melbourne.

5.2.3 Conclusion

This section has examined the demographic characteristic of those that intentionally choose to move into a neighbourhood because of its diversity – the so-called diversity-seekers and -consumers – and the monetary and non-monetary/temporal costs they are willing to pay in order to do so. The analysis has shown that a considerable proportion (20%) of the survey participants were attracted to a

neighbourhood by its diversity. Furthermore, certain demographic groups are even willing to pay monetary (15.79%) and non-monetary (temporal) costs (12.28%) in order to live in a diverse neighbourhood. Comparing those demographic profiles with the one for the diversity-valuers (see Chapter 5.1.3) illustrates how far demographic characteristics of the diversity-valuers and -seekers overlap or differ from each other. Based on the findings from the survey, Table 5.4 summarises the characteristics of people who

- Value different forms of diversity most
- Move into a neighbourhood because of its diversity
- Are willing to pay more for housing in order to live in a diverse neighbourhood
- Are willing to commute longer to work in order to live in a diverse neighbourhood

Table 5.4. Diversity-Valuer, -Seeker and -Consumer Profile

	Largest cohorts who value different forms of diversity most	**Largest cohorts that moved into a neighbourhood because of its diversity**	**Largest cohorts of people who would pay more to live in a diverse neighbourhood**	**Largest cohorts of people who would commute longer to live in a diverse neighbourhood**
	Diversity-Valuer	**Diversity-Seeker**		
			Diversity-Consumer	
Gender	female	male	male	male
Age	46-65	36-45	26-55	18-35
Income	$200-$600	$1250 and over	$2000 and over	$1,250-$1,499
Highest Education	Postgraduate Degree	Undergraduate or Postgraduate Degree	Postgraduate Degree	Postgraduate Degree
Occupation	Community worker	Managers/ Professionals	Managers/ Professionals	Professionals or Sales Worker
Ethnicity	European	Asian	Asian	Asian
Tenure Status			own	rent
Location		Melbourne	Melbourne	Melbourne

Source: Valuing Neighbourhood Diversity Survey

Table 5.4 shows that the groups who value diversity most aren't the ones falling into the category of the diversity-seeker, except for those participants with a postgraduate degree. Women, for instance, value diversity more than men and thus seem more open towards differences, however more men have indicated that they moved into a neighbourhood because of its diversity. This suggests a

difference between valuing diversity, which might be a passive act, and actively pursuing or consuming diversity. It also suggests that people who seek diversity in a neighbourhood are not necessarily the ones who value it on a general level. This reflects the findings from Blokland and van Eijk (2009) and Florida (2002), arguing that diversity-seekers, or the creative class, desire to live in places that are open to otherness and the lifestyle these places offer rather than seeking or practising diversity in every-day interaction.

Looking at the economic make-up of diversity-seekers – the so-called diversity-consumers – shows that people with high incomes are willing – and able – to pay more for their desired lifestyle. In that sense, the economic value of diversity is found with the consumers of diversity, which can be classified as an affluent demographic. In addition, Blokland and van Eijk (2009) could demonstrate with their study that diversity-seekers tend to spend their leisure time locally and use local facilities such as restaurants, cafés or bars more frequently than other residents (ibid, p. 325). This suggests that through their distinctive consumer behaviour, diversity-seekers support local businesses and are thus important to the economic viability of a neighbourhood.

Another noteworthy finding is the fact that the demographic profile of the typical resident living in urban renewal projects such as Docklands reflects the profile of the diversity-seeker and diversity-consumer from the survey, indicating that people with the following characteristics – male, Asian, undergraduate and postgraduate degree, high income, professionals or managers – are potentially the ones who seek and consume diversity.

6 CONCLUSION

This thesis has explored the value of diversity, taking a unique approach by evaluating what the public values in diverse neighbourhoods, with the intention that the findings can help inform the planning and development of new neighbourhoods in urban renewal. In this last chapter, I will review and summarise the study's background, framework, key findings and contributions, and point out implications for future research.

If stakeholders responsible for urban development can create a neighbourhood from scratch, what kind of urban community do they seek to create? This is a question that growing cities worldwide are faced with when land is unlocked for renewal. Urban planners and governors generally agree that neighbourhoods should be diverse – as opposed to homogenous – places, given that diversity has become the new paradigm in town planning (Fainstein 2005). This approach has been prominently advocated by Jane Jacobs (1961) and Richard Florida (2002), and seen to simultaneously encourage social equity and economic growth. In reality, however, urban renewal sites are dominated by market over social principles, and lack diversity, which is why they are seen as promoting segregation (Harris 2014, Shaw 2014). Thus, to explore whether there is a stronger argument for diversity in neighbourhoods, this thesis has examined what the value of diversity is – a question that has not been satisfactorily answered yet. Three different ways to do this have been touched upon. Firstly, the value of a diverse neighbourhood can arguably be seen in avoiding the cost of segregation – the negative economic impact that spatial social inequality has on a region. Secondly, policy-makers see value in diversity for disadvantaged people living in disadvantaged areas, who are assumed to benefit from social mixing strategies – an approach which lacks empirical evidence and has thus been rejected for this project. Thirdly – and this is the approach that has been chosen in this thesis – an argument for the value of diversity can be made on the grounds that it is publically valued, meaning that people value diversity and seek to live in diverse neighbourhoods. The research question this thesis set out to answer was *to what extent do diversity and inclusion across multiple differences add value to urban neighbourhoods and can this be effectively demonstrated and measured?* Moreover, of special interest for this thesis was the question *who values, seeks and consumes diversity in Australia?*

To address this subject, I established the key concepts – *diversity* and *value*. Both terms can be conceptualised in different ways. This thesis has worked with the concept *super-diversity* (Vertovec 2007) and applied it to the population diversity found in neighbourhoods, including social, demographic, cultural and economic differences. With regards to a value concept, it is the position in this thesis that value should primarily be created for the public, for the inhabitants of cities and

neighbourhoods. Thus, the *public value* approach (Moore 1995) was chosen as a framework. However, considering the difficulty of getting investors and treasuries to invest in diversity, I have argued that a realistic vision of diversity within urban renewal needs to take into consideration how different interest groups can profit simultaneously – the public, the public sector and the private sector. To address this issue, whilst holding the private sector accountable to create societal value in addition to economic value, the *shared value* (Porter & Kramer 2011) concept is helpful.

To demonstrate and measure the value of diversity empirically, a case study and a survey were conducted. With the case study the aim was to explore the role diversity is currently playing in urban renewal. To do this, one of Australia's largest renewal project, *Docklands* in Melbourne, was identified as suitable. The analysis of this project included a literature and document review as well as interviews with five key informants from the public sector. To address the lack of knowledge of what forms of diversity are valued and by what demographic, a survey was conducted in the most diverse and desired suburbs in Sydney, Melbourne and Brisbane. A representative sample of 513 participants took part in the survey. Both the case study and the survey have produced relevant and significant findings.

Looking at the forms of diversity most prevalent within urban renewal has shown that cultural diversity as well as the diversity of age and households were most relevant for public stakeholders. Cultural as well as age diversity also ranked high among the survey participants. Furthermore, the majority of the 513 respondents believed it is positive that their neighbourhood consists of different social (76%), demographic (73%), cultural (72%) and economic (60%) groups. Those high approval rates demonstrate that diversity is a *public value*. When asked more specifically about different types of diversity, ethnic diversity was most valued by 64.9% of the survey participants. The analysis has also shown that there is diversity within how diversity is valued. This means that the demographic background of the participants correlates with the forms of diversity that are valued, most notably gender.

With regards to the role that diversity played in urban renewal, the Docklands case study revealed that despite being seen as a value by local residents (as evident from a key reference document) and the public sector (as evident from the interview with key informants), no mechanisms – i.e. policies or regulations – are in place that enforce diversity in such a market-driven project. However, promoting a local school was seen as an indirect way to foster a diverse neighbourhood on behalf of the public sector – a way to attract and retain families with children.

Investigating the diversity-seeker phenomenon in Australia, the survey has revealed that 20 percent of the participants made their locational choice based on the diversity of a place – so-called diversity-seekers – and 15.79% would even pay higher housing prices in order to live in a diverse

neighbourhood – diversity-consumers. The demographic analysis of this group showed that people actively *seeking* and *consuming* – however, not necessarily *practicing* – diversity are most likely to be male, well-educated, high-income earning professionals. This matches with the demographic profile of Dockland's residents, suggesting that urban renewal residents are potentially those people who seek to live in diverse places.

The question now is how the findings from this study have contributed to, supported and challenged existing research in urban studies. Firstly, the thesis has contributed new insight into the understanding and value of diversity in urban renewal and among urban residents. This evaluation of diversity has been detailed and differentiated, looking at social, demographic, cultural and economic characteristics, which makes its findings relevant to a variety of scholars, regardless of whether they work with a narrow or a broad concept of diversity, such as super-diversity. As a result of this in-depth evaluation, this thesis has provided novel knowledge of how the understanding of the term diversity, as well as its use and how it is valued, differs between various work contexts as well as demographic groups. Whilst public stakeholders in urban renewal deal with a more specific term of diversity – predominately mixed use and particular demographic characteristics – more than half of the urban residents who participated in the survey associate and value social, demographic, cultural and economic diversity. This points out the relevance of the concept of Vertovec's super-diversity not only within policy but also within the public discourse. This complexity of diversity should be taken into account by urban planners and policy makers, given the relevance of the concept in town planning (Fainstein 2005).

Secondly, the diversity-seeker and –consumer profile established through the survey is in alignment with other studies that researched the diversity-seeker phenomenon in the US (Allen 1980, Florida 2002) and the Netherlands (Blokland & van Eijk 2009) – except for the variable of age. Whilst diversity seekers have been classified as belonging to the younger demographic in those studies, no such link could be found in this survey. Nevertheless, the study has demonstrated that there are diversity-seekers in Australia. However, the taste for diversity has to be 'celebrated' with caution as studies have shown that the moving-in of privileged diversity-seekers leads to displacement of lower-income demographics – a process commonly described as gentrification (Lees 2008, Talen et. al 2015). This is especially problematic as it reduces diversity, the very reason a place was considered attractive in the first place. However, given that neighbourhoods in urban renewal sites are newly created, these projects do not face issues of displacement and could potentially become places where stability of neighbourhood diversity could be planned for from the beginning – i.e. though certain quotas. However, the case study of Docklands has shown that this is currently far from realistic due to the lack

of mechanisms – and arguably political will – in place to enforce regulations on the private sector in a market-driven project. Whilst the hope behind letting market forces drive the project was to avoid spending public money, the project ended up costing the public (Dovey & Sandercock 2002), which raises questions of why the public interest was not more strongly represented. Using these findings as a starting point in investigating the value of diversity in urban renewal shows that the most pertinent issues are how diversity, as a public value, can be promoted and created within urban renewal as well as how it can be preserved in the long-term.

At the end of this thesis, I want to address the overall question what the value of diversity is – here is my answer in a nutshell:

For the public, neighbourhood diversity is something that people value – some even to the extent that they base locational and monetary decisions on it. On a more normative level, furthermore, the right to the city implies that access to resources and amenities should be distributed equally and not depend on a person's socio-economic or cultural background.

For the public sector, in addition to being mandated to represent the public interest, promoting diversity reduces issues and costs related to segregation and exclusion. Furthermore, it also addresses the housing crisis and the lack of affordable housing.

For the investors and developers, the study has shown that diverse neighbourhoods are attractive places, especially amongst more financially stable people who actively value diversity and would even pay higher housing prices. Furthermore, in the long-term this demographic has been shown to support the local economy through their local consumption preferences (Blokland & van Eijk 2009).

6.1 Future Research

This thesis has produced several findings, which prompt further research. Firstly, this thesis has primarily focused on suburbs that can be characterised as diverse and desired, resulting in a bias towards a certain class of people, termed the diversity-seekers. This selection was made based on the research aim of this thesis to investigate the diversity-seeker phenomenon in Australia. However, as pointed out in Section 3.2.2.6 and 3.2.2.7, the most diverse suburbs – based on the diversity concept as well as the variables chosen to measure diversity in this thesis – and the most diverse-and-desired suburbs do not overlap in Sydney, Melbourne and Brisbane. This suggests that diversity of a suburb alone is not automatically resulting in its popularity. The relationship between diversity and desirability thus needs to be examined more carefully by further research in order to better understand the value of residential neighbourhood diversity in general.

Secondly, more clarification is needed on the link between diversity-seekers and urban renewal residents. The similarity of the demographic profile of both groups presented in this thesis suggests that urban renewal residents might be potential diversity-seekers. Whether, however, this actually is the case requires further investigation.

Thirdly, the survey analysis has demonstrated that gender plays a predictive role in how diversity is valued and sought. Here, it would be important to better understand the causational mechanisms underlying this difference.

Fourthly, the urban renewal project examined as a case study in this thesis – Melbourne Docklands – arguably is one of the older mega-projects, with the planning phase taking place in the 1990s. With the current housing crisis in Australia, as pointed out by one of the key informants, it would be essential to see whether diversity and social mix in urban renewal will be assigned a different significance today, for instance, in a project such as Fishermans Bend in Melbourne, which exhibits similar characteristics as Docklands and has integrated diversity as a strategic goal in its initial vision (The State of Victoria Department of Environment, Land, Water and Planning 2016).

Lastly, in addition to interviewing public sector stakeholders regarding the value seen in diversity in urban renewal, it would be valuable to talk to developers in order to get their view on residential diversity, as their perspective is currently missing in the research literature. According to one of the key informants, developers seem generally interested in improving their negative reputation with the public in relation to helping solve the current housing crisis, notably the lack of affordable housing.

If public and private stakeholders want to plan and build cities that accommodate all residents, then diversity needs to be taken seriously in these processes. This project, which sought to understand how diversity is valued, sought and consumed by residents, begins to offer an evidence-based justification for better incorporating diversity in urban renewal projects.

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9 APPENDICES

9.1 Appendix 1: Ethics Approval Letter

Locked Bag 1797
Penrith NSW 2751 Australia
Research Engagement, Development and Innovation (REDI)

WESTERN SYDNEY UNIVERSITY

REDI Reference: H12018
Risk Rating: Low 1 - LNR

HUMAN RESEARCH ETHICS COMMITTEE

30 March 2017

Associate Professor Andrew Gorman-Murray
School of Social Sciences and Psychology

Dear Andrew,

I wish to formally advise you that the Human Research Ethics Committee has approved your research proposal H12018 "Valuing Diversity in Urban Renewal", until 1 March 2018 with the provision of a progress report annually if over 12 months and a final report on completion.
In providing this approval the HREC determined that the proposal meets the requirements of the National Statement on Ethical Conduct in Human Research.

This protocol covers the following researchers:
Andrew Gorman-Murray, Michael Darcy, Emilie Baganz

Conditions of Approval

1. A progress report will be due annually on the anniversary of the approval date.

2. A final report will be due at the expiration of the approval period.

3. Any amendments to the project must be approved by the Human Research Ethics Committee prior to being implemented. Amendments must be requested using the HREC Amendment Request Form:
https://www.westernsydney.edu.au/__data/assets/word_doc/0012/1096995/FORM_Amendment_Request.docx

4. Any serious or unexpected adverse events on participants must be reported to the Human Research Ethics Committee via the Human Ethics Officer as a matter of priority.

5. Any unforeseen events that might affect continued ethical acceptability of the project should also be reported to the Committee as a matter of priority

6. Consent forms are to be retained within the archives of the School or Research Institute and made available to the Committee upon request.

7. Project specific conditions:
There are no specific conditions applicable.

Please quote the registration number and title as indicated above in the subject line on all future correspondence related to this project. All correspondence should be sent to the e-mail address humanethics@westernsydney.edu.au as this e-mail address is closely monitored.

Yours sincerely

Professor Elizabeth Deane
Presiding Member,
Western Sydney University Human Research Ethics Committee

9.2 Appendix 2: Interview Participant Information Sheet

Project Title:

Valuing Diversity in Urban Renewal

Project Summary:

You are invited to participate in a research study being conducted by Emilie Baganz, MPhil student at the School of Social Sciences and Psychology (SSAP) at Western Sydney University (WSU) under the supervision of Associate Professor Andrew Gorman-Murray and Professor Michael Darcy.

This research project explores what the economic value of a diverse - socio-economically, demographically and culturally mixed - neighbourhood is. Whilst scholars, planners and a range of stakeholder believe in the social value of diversity in cities and neighbourhoods, it has proven difficult to get investors and treasuries in the construction and housing sector to financially invest in more mixed urban renewal projects. By exploring whether and how diverse neighbourhoods create economic value, the aim with this research is to understand if investing in diversity created more than (just) social value.

The empirical research will provide insight into what different stakeholders – e.g. residents, and representatives from the private and public planning and real estate sectors value in population diversity.

The study will then use findings from the survey and interviews to look into different models of how to measure and quantify the social value of population diversity and explore their applicability to measuring the value of diversity.

How is the study being paid for?

This study is funded by UrbanGrowth NSW, the government's urban transformation agency, with additional support from the School of Social Science and Psychology (SSAP) at Western Sydney University.

What will I be asked to do?

If you volunteer to partake in this research, you will participate in an individual interview about the value of diversity. Interviews will be conducted with key informants from selected case studies of urban renewal projects. Participation is voluntary and your consent has to be given to use any of the data and information provided by you.

The interviews, if conducted via phone, will be taped with your consent and transcribed for analysis. If you agree to participate in this study, you may be asked to sign a Participant Consent Form.

How much of my time will I need to give?

The interviews will last between 20 and 45 minutes. They may be conducted via telephone or skype or via email, depending on the preference of the interviewee.

What benefits will I, and/or the broader community, receive for participating?

Your participation in this research will provide important information on what urban planning and construction stakeholders value in diversity. Findings from the empirical research could have implications for future investments from government, non-government and private investors into the planning and building for diverse neighbourhoods. It might also impact policy making and, thus, effect living conditions of individuals and communities in cities.

Will the study involve any risk or discomfort for me? If so, what will be done to rectify it?

Participation in the study will not involve any discomfort for participants. However, should you feel distressed after participating you can contact However, if you would like advice or support in relation to any local neighbourhood issues please contact a neighbourhood centre in your area. Find the closest one by entering your postcode here: http://www.anhca.asn.au/contact or contact Victoria Neighbourhood Houses at 03 9602 1228.

How do you intend to publish or disseminate the results?

It is anticipated that the results of this research project will be published and/or presented in a variety of forums. In any publication and/or presentation, information will be provided in such a way that the participant cannot be identified, except with your permission. All participant information will be anonymised and if quotes are used to illustrate points in presentations or publication it will not be possible to identify participants.

Will the data and information that I have provided be disposed of?

Please be assured that only the student researcher and her supervisors will have access to the raw data you provide and that your data will not be used in any other projects. Please note that the minimum retention period for data collection is five years. After this, the collected data will be securely disposed of.

Can I withdraw from the study?

Participation in this study is entirely voluntary and you are not obliged to be involved. If you do participate, you can withdraw at any time without giving any reason. If you do choose to withdraw, any information that you have supplied will be removed from the body of data and destroyed.

Can I tell other people about the study?

Yes, you can tell other people about the study by providing them with my, Emilie Baganz's, contact details. They can contact me to discuss their participation in the research project and obtain a copy of the information sheet.

What if I require further information?

Please contact me or my principal supervisor should you wish to discuss the research further before deciding whether or not to participate.

Emilie Baganz, Higher Degree Research Student, at 18596289@student.westernsydney.edu.au
Andrew Gorman-Murray, Associate Professor, at A.Gorman-Murray@westernsydney.edu.au

What if I have a complaint?

If you have any complaints or reservations about the ethical conduct of this research, you may contact the Ethics Committee through Research Engagement, Development and Innovation (REDI) on Tel +61 2 4736 0229 or email humanethics@westernsydney.edu.au.

Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.

If you agree to participate in this study, you may be asked to sign the Participant Consent Form. The information sheet is for you to keep and the consent form is retained by the researcher/s.

This study has been approved by the Western Sydney University Human Research Ethics Committee. The Approval number is **H12018.**

Thank you for your time and your participation in this research.

Emilie Baganz

9.3 Appendix 3: Interview Consent Form

Project Title: Valuing Diversity in Urban Renewal

I hereby consent to participate in the above named research project.

I acknowledge that:

- I have read the participant information sheet (or where appropriate, have had it read to me) and have been given the opportunity to discuss the information and my involvement in the project with the researcher/s

- The procedures required for the project and the time involved have been explained to me, and any questions I have about the project have been answered to my satisfaction.

I consent to:

☐ *Participating in an interview*

☐ *Having my information audio recorded*

I consent for my data and information provided to be used for this project.

I understand that my involvement is confidential and that the information gained during the study may be published but no information about me will be used in any way that reveals my identity.

I understand that I can withdraw from the study at any time without affecting my relationship with the researcher/s, and any organisations involved, now or in the future.

Signed:
Name:
Date:
Return address:

Send to: Emilie Baganz, c/o Urban Research Program, School of Social Sciences and Psychology, Western Sydney University, Locked Bag 1797, Penrith, NSW, 2751.

Or email to: 18596289@student.westernsydney.edu.au

This study has been approved by the Human Research Ethics Committee at Western Sydney University. The ethics reference number is: H12018

What if I have a complaint?

If you have any complaints or reservations about the ethical conduct of this research, you may contact the Ethics Committee through Research Engagement, Development and Innovation (REDI) on Tel +61 2 4736 0229 or email humanethics@westernsydney.edu.au.

Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.

9.4 Appendix 4: Survey Participant Information Sheet

Project Title:

Valuing Diversity in Urban Renewal

Project Summary:

You are invited to participate in a research study being conducted by Emilie Baganz, MPhil student at the School of Social Sciences and Psychology (SSAP) at Western Sydney University (WSU) under the supervision of Associate Professor Andrew Gorman-Murray and Professor Michael Darcy.

This research project explores what the economic value of a socio-economically, demographically and culturally mixed neighbourhood is. Whilst scholars, planners and a range of stakeholder believe in the social value of diversity in cities and neighbourhoods, it has proven difficult to get investors and treasuries in the construction and housing sector to financially invest in more mixed urban renewal projects. By exploring whether and how diverse neighbourhoods create economic value, the aim with this research is to understand if investing in diversity created more than (just) social value.

By conducting a survey as well as interviews, insight will be provided into what different stakeholders – e.g. residents, and representatives from the private and public housing and construction sector - value in population diversity.

The study will then use findings from the survey and interviews to look into different models on how to measure and quantify the social value of population diversity and explore their applicability to measuring the value of diversity.

How is the study being paid for?

This study is funded by UrbanGrowth NSW, the government's urban transformation agency, with additional support from the School of Social Science and Psychology (SSAP) at Western Sydney University.

What will I be asked to do?

If you volunteer to partake in this research, you will participate in a survey about the value of diversity.

The survey is completely anonymous. All information provided is voluntary and will be strictly confidential. Neither your name nor any identifying information about you will be used in any publications arising from the research.

How much of my time will I need to give?

The online survey will take approximately 10 to 15 minutes.

What benefits will I, and/or the broader community, receive for participating?

Your participation in this research will provide important information on what residents value in a diverse neighbourhood. Findings from the empirical research could have implications for future investments from government, non-government and private investors into the planning for and building of diverse neighbourhoods. It might also impact policy-making and, thus, effect living conditions of individuals and communities in cities, e.g., by promoting equal access to urban spaces and amenities.

Will the study involve any risk or discomfort for me? If so, what will be done to rectify it?

Participation in the study will not involve any discomfort for participants. However, if you would like advice or support in relation to any local neighbourhood issues please contact a neighbourhood centre in your area. Find the closest one by entering your postcode here: http://www.anhca.asn.au/contact

Or contact your state's neighbourhood association for help:

Victoria: 03 9602 1228
NSW: 02 9660 2044.
Queensland: 07 4055 6440

How do you intend to publish or disseminate the results?

It is anticipated that the results of this research project will be published and/or presented in a variety of forums. In any publication and/or presentation, information will be provided in such a way that the participant cannot be identified.

Will the data and information that I have provided be disposed of?

Please be assured that only the student researchers and her supervisors will have access to the raw data you provide. The findings of the research will be published in a thesis and may be published in a range of journals, reports, and/or books. It may also be presented at relevant conferences and seminars. The findings will also be formally presented to UrbanGrowth NSW Executive.

Please note that the minimum retention period for data collection is five years.

Can I withdraw from the study?

Participation in this study is entirely voluntary and you are not obliged to be involved. If you do participate, you can withdraw at any time without giving any reason. If at any time you would like to withdraw from participation, simply close your web browser and your response will not be included.

What if I require further information?

Please contact me or my principal supervisor should you wish to discuss the research further before deciding whether or not to participate.

Emilie Baganz, Higher Degree Research Student, at 18596289@student.westernsydney.edu.au

Andrew Gorman-Murray, Associate Professor, at A.Gorman-Murray@westernsydney.edu.au

What if I have a complaint?

If you have any complaints or reservations about the ethical conduct of this research, you may contact the Ethics Committee through Research Engagement, Development and Innovation (REDI) on Tel +61 2 4736 0229 or email humanethics@westernsydney.edu.au.

Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.

This study has been approved by the Western Sydney University Human Research Ethics Committee. The Approval number is **H12018.**

Thank you for your time and your participation in this research.

Emilie Baganz

9.5 Appendix 5: Valuing Neighbourhood Diversity Survey

Overview of Survey Flow

Welcome
Diversity Concept & Value
Neighbourhood Knowledge & Satisfaction
Neighbourhood Choice
Value of Diverse Neighbourhoods
Demographics
End of Survey

Welcome! You are invited to participate in a research study being conducted by Emilie Baganz, MPhil student at the School of Social Science and Psychology (SSAP) at Western Sydney University (WSU) under the supervision of Associate Professor Andrew Gorman-Murray.

The aim of this research project is to contribute new insights to the attempt of combating increasing social exclusion and segregation in cities by exploring whether and how neighbourhood diversity is valued. In this survey, we are interested in different groups of people living together in a neighbourhood and their perception and evaluation of diversity. With your help, we want to understand what kind(s) of diversity on a neighbourhood level is/are meaningful to you.

In order to get the most accurate information from this survey, we ask that you are honest in your responses to all questions. We value your candid opinions, both positive and negative. Your responses are completely anonymous. Completion of this survey is voluntary. If at any time you would like to withdraw from participation, simply close your web browser and your response will not be included.

Thank you for agreeing to participate in this research, your opinion is very valuable to us!

Project Title: Valuing Diversity in Urban Renewal

I hereby consent to participate in the above named research project.
I acknowledge that:
I have read the participant information sheet and have been given the opportunity to discuss the information and my involvement in the project with the researcher/s

I consent for my data and information provided to be used for this project.

I understand that my involvement is confidential and that the information gained during the study may be published but no information about me will be used in any way that reveals my identity.

Please note, the term 'neighbourhood' is used in this questionnaire, we are referring to the area within walking distance from the place that you live.

1. DIVERSITY CONCEPT & VALUE

1. If you think about a diverse neighbourhood population, what forms of diversity come to your mind? (Tick all that apply)

- ❍ Cultural diversity (e.g. race, ethnic, language, customs, religion, world views)
- ❍ Social diversity (e.g. education level, family status, sexuality)
- ❍ Demographic diversity (e.g. age, gender, disability)
- ❍ Economic diversity (e.g. income, working status)
- ❍ Other (please specify) _____

2. Which of the following kinds of diversity do you value? (Tick all that apply)

- ❍ ability/disability
- ❍ age
- ❍ body size
- ❍ ethnicity
- ❍ gender
- ❍ religion
- ❍ race
- ❍ sexuality
- ❍ socioeconomic status

2. NEIGHBOURHOOD KNOWLEDGE & SATISFACTION

3. Would you say that the neighbourhood you are living in is diverse?

- ❍ *Very diverse*
- ❍ *Moderately diverse*
- ❍ *Slightly diverse*
- ❍ *Not at all diverse*

4. How long have you been living in this neighbourhood

- ❍ *Year(s)….., Month(s)….*

Do you agree or disagree with the following statements?

5. It is a good thing for my neighbourhood to be made up of different social groups

- *Strongly Disagree*
- *Disagree*
- *Neither agree nor disagree*
- *Agree*
- *Strongly Agree*

6. It is a good thing for my neighbourhood to be made up of different cultural groups

- *Strongly Disagree*
- *Disagree*
- *Neither agree nor disagree*
- *Agree*
- *Strongly Agree*

7. It is a good thing for my neighbourhood to be made up of different economic groups

- *Strongly Disagree*
- *Disagree*
- *Neither agree nor disagree*
- *Agree*
- *Strongly Agree*

8. It is a good thing for my neighbourhood to be made up of different demographic groups

- *Strongly Disagree*
- *Disagree*
- *Neither agree nor disagree*
- *Agree*
- *Strongly Agree*

9. Overall, I like living in this neighbourhood?

- *Strongly Disagree*
- *Disagree*
- *Neither agree nor disagree*

- *Agree*
- *Strongly Agree*

10. Since living in this area, the neighbourhood has become

- *More diverse*
- *Less diverse*
- *Stayed the same*
- *Don't know*

11. If you could choose, would you stay here or would you prefer to move somewhere else?

- *Stay here*
- Prefer to move
- Don't know

12. If you prefer to move, in a few words as possible, describe the reason

- _____

3. NEIGHBROUHOOD CHOICE

13. Which THREE, if any, of the following were your MAIN reasons for choosing to live in the neighbourhood you currently live in? (Please choose up to THREE options. If your answer is not in the list provided, please type them in the box provided.)

- *To be close to my workplace*
- *To be close to my partner's workplace*
- *I am currently/ was studying in the neighbourhood*
- *Availability of public transport*
- *The diversity of the neighbourhood*
- *The size or type of housing available*
- *The cost of housing available*
- *To be close to friends/ family*
- *To be close to good schools*
- *To be close to local shops*
- *To be close to restaurants/ leisure or cultural facilities*
- *To be close to countryside/ green spaces*

- ❍ *The quality of the built or natural environment*
- ❍ *The safety and security of the neighbourhood*
- ❍ *The sense of community in the neighbourhood*
- ❍ *I have a cultural or religious association with the neighbourhood*
- ❍ *I grew up in the neighbourhood*
- ❍ *Other (please specify)* _____

4. VALUE OF NEIGHBOURHOOD DIVERSITY

Do you agree or disagree with the following statements?

14. I moved into this neighbourhood because I valued its diversity

- ❍ Strongly Disagree
- ❍ Disagree
- ❍ Neither agree nor disagree
- ❍ Agree
- ❍ Strongly Agree

15. I am willing to pay a higher rent/housing price, in order to live in a diverse neighbourhood such as this

- ❍ Strongly Disagree
- ❍ Disagree
- ❍ Neither agree nor disagree
- ❍ Agree
- ❍ Strongly Agree

16. I accept a longer commute to my work place in order to live in a diverse neighbourhood such as this.

- ❍ Strongly Disagree
- ❍ Disagree
- ❍ Neither agree nor disagree
- ❍ Agree
- ❍ Strongly Agree

17. Within my neighbourhood, I value (Tick all that apply)

- ❍ Acceptance of otherness

- ❍ That I can build networks beyond people similar to me
- ❍ The atmosphere of openness and tolerance it provides
- ❍ The presence of different restaurants & shops
- ❍ The presence of different services
- ❍ The cosmopolitan lifestyle
- ❍ A younger demographic
- ❍ A more open-minded demographic
- ❍ The different look of people
- ❍ Other (please specify) _____

5. DEMOGRAPHIC QUESTIONS

The following questions ask you to supply us with some basic demographic details so that we can describe the kinds of individuals who participated in this study.

18. What is your postcode?

- ❍ _ _ _ _

19. What is your gender?

- ❍ Female
- ❍ Male
- ❍ Other (please specify) _____

20. What is your age?

- ❍ 18-25 years
- ❍ 26-35 years
- ❍ 36-45 years
- ❍ 46-55 years
- ❍ 56-65 years
- ❍ 66-75 years

21. What is your ethnic origin? (Tick all that apply)

- ❍ African
- ❍ Anglo Australian
- ❍ Indigenous Australian (i.e., Aboriginal, Torres Strait Islander)

- ❍ European
- ❍ Asian
- ❍ Latin, Central, and South American
- ❍ North American
- ❍ Middle Eastern
- ❍ Pacific Islander
- ❍ Another group (Please specify) _____

22. Do you speak a language other than English at home?

- ❍ No, English only
- ❍ Yes, Italian
- ❍ Yes, Greek
- ❍ Yes, Cantonese
- ❍ Yes; Arabic
- ❍ Yes, Mandarin
- ❍ Yes, Vietnamese
- ❍ Yes, other (please specify) _____

23. What is your religion?

- ❍ Buddhism
- ❍ Christianity
- ❍ Hinduism
- ❍ Islam
- ❍ Judaism
- ❍ No Religion
- ❍ Other Religion (Please specify) _____

24. Do you rent your home, own it, or do you have some other arrangement?

- ❍ Rent
- ❍ Own
- ❍ Some other arrangement

25. What is the highest level of school you have completed or the highest degree you have received?

- ❍ Did not finish high school

- ❍ High school (year 12 or equivalent)
- ❍ Diploma or certificate
- ❍ Undergraduate degree
- ❍ Postgraduate degree
- ❍ Other (Please specify) _____

26. Which of the following best describes your current employment situation. (Tick all that apply)

- ❍ Self-employed
- ❍ Employed (working for someone else)
- ❍ Unemployed
- ❍ Student
- ❍ Retired
- ❍ Unable to work
- ❍ Other (Please specify) _____

27. What category best describes your occupation?

- ❍ Manager
- ❍ Professional
- ❍ Technician and Trades Worker
- ❍ Community and Personal Service Worker
- ❍ Clerical and Administrative Worker
- ❍ Sales Worker
- ❍ Machinery Operator and Driver
- ❍ Labourer

28. What is the total of all wages/salaries, government benefits, pensions, allowances and other income you usually receive?

- ❍ $2,000 or more per week ($104,000 or more per year)
- ❍ $1,500 - $1,999 per week ($78,000 - $103,999 per year)
- ❍ $1,250 - $1,499 per week ($65,000 - $77,999 per year)
- ❍ $1,000 - $1,249 per week ($52,000 - $64,999 per year)
- ❍ $800 - $999 per week ($41,600 - $51,999 per year)

- ❍ $600 - $799 per week ($31,200 - $41,599 per year)
- ❍ $400 - $599 per week ($20,800 - $31,199 per year)
- ❍ $300 - $399 per week ($15,600 - $20,799 per year)
- ❍ $200 - $299 per week ($10,400 - $15,599 per year)
- ❍ $1 - $199 per week ($1 - $10,399 per year)
- ❍ Nil income
- ❍ Negative income

29. Is there anything else you would like to add?